has been increasingly directing more of its conversion chassis through its pool system.

"We've been seeing our share of the business picking up in recent months," Mittman says.

Currently, about 60 to 70 percent of Ford's conversion chassis go through its pool. That is expected to increase to 80 to 90 percent by next year and 90 to 100 percent by 1993.

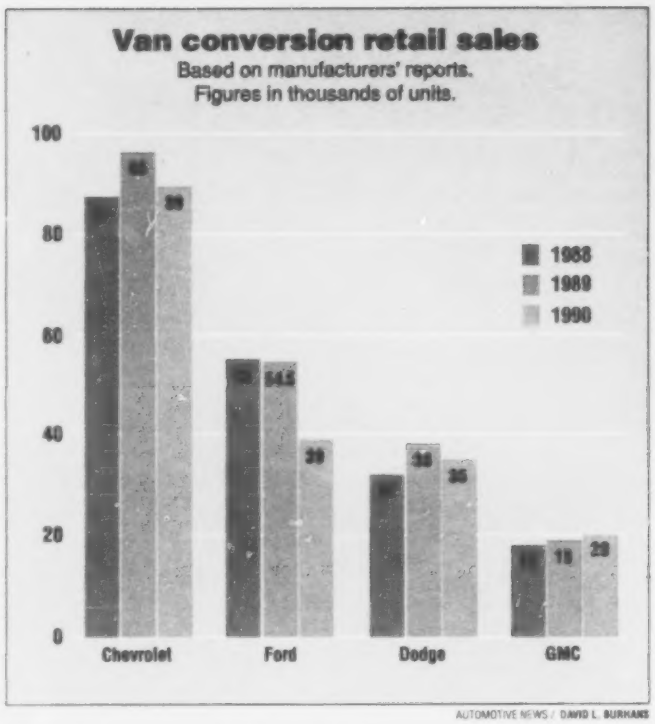
Aerostar conversion sales fell off sharply in 1990. At present, there are very few converters doing anything with the Aerostar. Only one of its top 10 converters handled more than 100 Aerostars last year.

Ford has talked to a number of conversion accounts, and plans to keep Aerostar available with the RV prep package for the 1992 model year. Company officials hope to make it more attractive for converters to work on through product and package changes.

For example, upfitters have commonly complained that it is hard to do a good conversion on an Aerostar and price it competitively with the factory passenger wagon.

Mittman confirmed that the company is re-evaluating the price position of the two models. It is looking at a potentially wider price spread between the RV prep van and Aerostar wagon.

Nothing will be decided until spring. And it will depend on capacity. If Ford has the capacity to produce more Aerostar vans, it will be more amenable to repositioning the RV chassis. But if the retail market for Aerostar wagons rebounds strongly, and the company is running near capacity, it likely will not make the move.



Aerostar, as part of its 1992 changes to meet new federal motor vehicle safety standards, also is getting some interior design alterations that will make it more attractive to converters. The floor-mounted transmission-shift lever will be relocated to the steering column, for example.

Ford also is considering releasing some additional options on RV vans that converters have been asking for — options it currently offers only on the wagons.

Dodge Division, after expanding its pool system to 75 converters, held fairly steady in conversion sales in 1990. It sold 35,000 van conversions, down slightly from 38,000 the year earlier.

Its overall share of the conversion market increased to 19.13 percent from 18.31 percent the previous year.

Dodge officials say they are comfortable with their current number of converters, and are only replacing firms that drop out of their pools.

Dodge has been evaluating and promoting the quality of its converters, much like its competitors. The company used an independent survey company, Original Research Customer Management Services Inc. of Chicago, to evaluate the work of 27 of its converters.

The survey company contacted 1,000 owners of 1989 model Dodge van conversions done by the 27 firms in Dodge's pool, querying them about the quality of workmanship and other impressions about the vehicle and work done on it.

In general, the conversion features, quality of workmanship and quality of conversion components rated very well. The owner retention for Dodge and most conversions also was very high.

But where customers said they would not buy another van conversion, they also said they would not buy another Dodge.

The survey showed the close link between Dodge as a manufacturer and the conversion community, and underscores the importance of having satisfied van conversion buyers.

All converters received results of the survey, which allowed them to compare their own ratings with average converter ratings.

Some converters, who scored above average, plan to use the survey results as marketing tools to dealers.

GMC's conversion sales were the only ones to show an overall increase in 1990. GMC sold 20,000 conversion vans, including 12,400 full-sized G vans and 7,600 compact Safari conversions, in the 1990 model year, up from 19,000 the previous year.

GMC's market share was 10.93 percent in 1990, down slightly from a 9.16 share in 1989.

GMC Truck has been doing more to help its converters, such as providing them exposure in a data book which goes out to its dealers, says Keith Ball, GMC special vehicle sales manager.

GMC, like other manufacturers, considers the current market downturn to be only temporary and is looking for an upturn by spring.

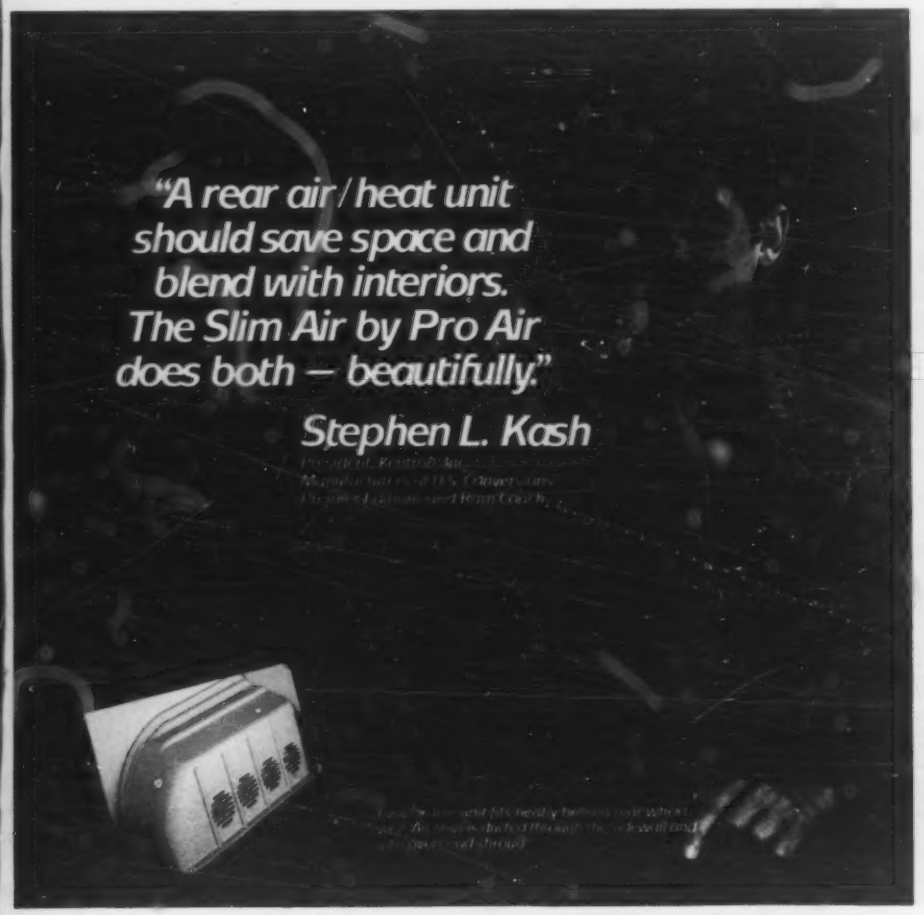
Meanwhile, it has been helping converters through special programs similar to those at Chevrolet. □

RECREATIONAL VEHICLE WHOLESALE DELIVERIES

	September 1990	September 1989	% change	9 mos. 1990	9 mos. 1989	% change
Travel trailers	3,500	3,900	– 10.3	44,200	43,800	+ 0.9
Park Trailers	600	500	+ 20.0	5,400	5,600	– 3.6
Travel trailers—fifth wheel	1,900	2,300	– 17.4	22,800	22,600	+ 0.9
Folding camping trailers	1,900	2,600	– 26.9	24,300	25,600	– 5.1
Truck campers	800	800	+ 0.0	8,100	8,200	– 1.2
Towable RV total	**8,700**	**10,100**	**– 13.9**	**104,800**	**105,800**	**– 1.1**
Conventional (type A)	1,800	2,600	– 30.8	24,100	27,700	– 13.0
Van Campers (type B)	400	400	+ 0.0	4,700	4,000	+ 17.5
Chopped vans (all)	1,100	1,400	– 21.4	14,700	17,300	– 15.0
Motor home total	**3,300**	**4,400**	**– 25.0**	**43,800**	**49,000**	**– 11.2**
Van conversions	11,900	14,200	– 16.2	148,400	154,800	– 5.4
TOTAL ALL RVs	**23,900**	**28,700**	**– 16.7**	**294,000**	**309,600**	**– 4.8**

Source: Recreation Vehicle Industry Association

"To some degree, dealers are more cautious in ordering conversions than the retail strength of the market would seem to dictate."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AUCTION DATES

Chrysler Corp.

Nov. 28 — Minneapolis Auto Auction Inc., Maple Grove, Minn.

Nov. 29 — Northway Auto Exchange Inc., Clifton Park, N.Y.; Southern States Vehicle Auction of Atlanta Inc., Newnan, Ga.; Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City Inc., Lee's Summit, Mo.; Butler Auto Auction, Gibsonia, Pa.; Riverside, Calif.; and Amarillo Auto Auction Inc., Amarillo, Texas.

Dec. 4 — Arena Auto Auction Inc., Bolingbrook, Ill.; Nashville Auto Auction Inc., Nashville, Tenn.; Utah Auto Auction Inc., West Bountiful, Utah; South Seattle Auto Auction Inc., Kent, Wash.; Greensboro Auto Auction Inc., Greensboro, N.C.; and San Antonio Auto Auction, San Antonio.

Dec. 5 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Denver Auto Auction, Denver; Indianapolis Auto Auction Inc., Indianapolis; Manheim Auto Auction, Manheim, Pa.; and American Auto Auction, Walpole, Mass.

Dec. 6 — Northway Auto Exchange Inc., Clifton Park, N.Y.; Aptco Auto Auction Inc., Taylor, Mich.; Omaha Auto Auction, Omaha, Neb.; Florida Auto Auction of Orlando, Ocoee, Fla.; Golden Gate Auto Auction Inc., Fremont, Calif.; and Ark-La-Tex Auto Auction Inc., Shreveport, La.

Dec. 11 — Columbus Fair Auto Auction Inc., Columbus, Ohio; Dallas Auto Auction Inc., Grand Prairie, Texas; Clanton's Auto Auction Inc., Darlington, S.C.; Fredericksburg Auto Auction Inc., Fredericksburg, Va.; Southern Auto Auction, East Windsor, Conn.; Southwest Auto Auction Inc., Chandler, Ariz.; and Portland Auto Auction, Portland, Ore.

Dec. 12 — Minneapolis Auto Auction Inc., Maple Grove, Minn.

Dec. 13 — Southern States Vehicle Auction of Atlanta Inc., Newnan, Ga.; Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Butler Auto Auction, Gibsonia, Pa.; Riverside Auto Auction, Riverside, Calif.; and Big Sky Auto Auction Inc., Billings, Mont.

Dec. 14 — St. Louis Auto Auction Inc., Bridgeton, Mo.; and Tri-State Auto Auction Inc., Cicero, N.Y.

Dec. 18 — Arena Auto Auction Inc., Bolingbrook, Ill.; Nashville Auto Auction Inc., Nashville, Tenn.; Utah Auto Auction Inc., West Bountiful, Utah; South Seattle Auto Auction Inc., Kent, Wash.; Greensboro Auto Auction Inc., Greensboro, N.C.; and San Antonio Auto Auction, San Antonio.

Dec. 19 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Denver Auto Auction, Denver; Indianapolis Auto Auction Inc., Indianapolis; Manheim Auto Auction, Manheim, Pa.; and American Auto Auction, Walpole, Mass.

Ford Motor Co.

Nov. 28 — Baltimore-Washington Auto Exchange, Baltimore; Fort Worth Auto Auction, Fort Worth, Texas; Mississippi Auto Auction, Hattiesburg, Miss.; Southern California Auto Auction, Fontana, Calif.; Omaha Auto Auction Inc., Omaha, Neb.; and Salt Lake Auto Auction, Salt Lake City.

Nov. 29 — Greensboro Auto Auction, Greensboro, N.C.; Interstate Auto Auction, Mercer, Pa.; San Antonio Auto Auction, San Antonio; and St. Louis Auto Auction, Bridgeton, Mo.

Dec. 4 — Ohio Auto Auction Inc., Grove City, Ohio; Harrisonburg Auto Auction, Harrisonburg, Va.; Texas Hobby Auto Auction, Houston; Dealers Auto Auction of Oklahoma City, Oklahoma City; Bay Cities Auto Auction Inc., Hayward, Calif.; and Greater Tampa Bay Auto Auction, Tampa, Fla.

Dec. 5 — Albuquerque Auto Auction, Albuquerque, N.M.; Aptco Auto Auction, Taylor, Mich.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Dec. 6 — Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

Dec. 10 — West Palm Beach Auto Auction, West Palm Beach, Fla.

Dec. 11 — Greater Chicago Auto Auction, Chicago; Newburgh Auto Auction Inc., Newburgh, N.Y.; and South Seattle Auto Auction, Kent, Wash.

Dec. 12 — Northway Auto Auction, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Fort Worth Auto Auction, Fort Worth, Texas; Mississippi Auto Auction, Hattiesburg, Miss.; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction Inc. (tentative), Omaha, Neb.

Dec. 13 — Auto Auction of Billings, Billings, Mont.; Manheim Auto Auction, Manheim, Pa.; Southwest Auto Auction, Chandler, Ariz.; Brasher's Sacramento Auto Auction, Rio Linda, Calif.; and St. Louis Auto Auction, Bridgeton, Mo.

Dec. 18 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Ohio Auto Auction Inc., Grove City, Ohio; Texas Hobby Auto Auction, Houston; Bay Cities Auto Auction Inc., Hayward, Calif.; and Greater Tampa Bay Auto Auction, Tampa, Fla.

General Motors

Nov. 28 — Puget Sound Auto Auction, Auburn, Wash.; Indianapolis Auto Auction Inc., Indianapolis; Metro Auto Auction of Kansas City Inc., Lee's Summit, Mo.; Minneapolis Northstar Auto Auction Inc., Shakopee, Minn.; Golden Gate Auto Auction, Fremont, Calif.; and Statesville Auto Auction, Statesville, N.C.

Nov. 29 — Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; Los Angeles Dealers Auto Auction, Rosemead, Calif.; Nashville Auto Auction, Nashville, Tenn.; Butler Auto Auction, Gibsonia, Pa.; Ark-La-Tex Auto Auction, Shreveport, La.; Auto Dealers Exchange of Tucson, Tucson, Ariz.; and State Line Auto Auction, Waverly, N.Y.

Dec. 4 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Dallas; Dothan Auto Auction, Dothan, Ala.; Fresno Auto Dealers Auction, Fresno, Calif.; Manheim Auto Auction, Manheim, Pa.; and Florida Auto Auction of Orlando, Ocoee, Fla.

Dec. 5 — Atlanta Auto Auction, Red Oak, Ga.; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; Mid-America Auto Auction, Louisville, Ky.; Auto Dealers Exchange of Memphis, Memphis, Tenn.; Mississippi Auto Auction, Hattiesburg, Miss.; Omaha Auto Auction, Omaha, Neb.; and Brasher's Sacramento Auto Auction, Rio Linde, Calif.

Dec. 6 — Mid Ark Auto Auction, North Little Rock, Ark.; Arena Auto Auction Inc., Bolingbrook, Ill.; Columbus Fair Auto Auction, Columbus, Ohio; Southwest Auto Auction, Chandler, Ariz.; Portland Auto Auction, Portland, Ore.; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah.

Dec. 11 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Harrisonburg Auto Auction Inc., Harrisonburg, Va.; Metro Milwaukee Auto Auction, Caledonia, Wis.; National Auto Dealers Exchange, Bordentown, N.J.; Dealers Auto Auction of Oklahoma City, Oklahoma City; Florida Auto Auction of Orlando, Ocoee, Fla.; and San Antonio Auto Auction, San Antonio.

Dec. 12 — Puget Sound Auto Auction, Auburn, Wash.; Indianapolis Auto Auction Inc., Indianapolis; Metro Auto Auction of Kansas City Inc., Lee's Summit, Mo.; Minneapolis Northstar Auto Auction Inc., Shakopee, Minn.; Golden Gate Auto Auction, Fremont, Calif.; Statesville Auto Auction, Statesville, N.C.

Dec. 13 — Amarillo Auto Auction, Amarillo, Texas; Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; Los Angeles Dealer Auto Auction, Rosemead, Calif.; Nashville Auto Auction, Nashville, Tenn.; Butler Auto Auction, Evans City, Pa.; Ark-La-Tex Auto Auction Inc., Shreveport, La.; and State Line Auto Auction, Waverly, N.Y.

Dec. 18 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Dallas; Dothan Auto Auction, Dothan, Ala.; Fresno Auto Dealers Auction, Fresno, Calif.; Manheim Auto Auction, Manheim, Pa.; Dealers Auto Auction of Oklahoma City, Oklahoma City; and Florida Auto Auction of Orlando, Ocoee, Fla.

Mazda Motor of America

Nov. 27 — Florida Auto Auction of Orlando, Orlando, Fla.

Dec. 4 — Puget Sound Auto Auction, Auburn, Wash.

Dec. 11 — Texas Hobby Auto Auction, Houston.

Mitsubishi Motor Sales of America

Nov. 29 — Atlanta Auto Auction, Red Oak, Ga.; Golden Gate Auto Auction, Fremont, Calif.; and Greater Chicago Auto Auction, Chicago.

Dec. 4 — Southwest Auto Auction, Phoenix, Ariz.; and Ohio Auto Auction, Columbus, Ohio.

Dec. 5 — Utah Auto Auction, Salt Lake City, Utah.

Dec. 6 — Dallas Auto Auction, Grand Prairie, Texas; and Baltimore-Washington Auto Auction, Baltimore.

Dec. 11 — Minneapolis Northstar Auto Auction, Minneapolis; Florida Auto Auction, Orlando, Fla.; and Denver Auto Auction, Denver.

Dec. 12 — Southern California Auto Auction, Fontana, Calif.

Dec. 13 — Greensboro Auto Auction, Greensboro, N.C.

Dec. 18 — Puget Sound Auto Auction, Seattle, Wash.; and Newburgh Auto Auction, Newburgh, N.Y.

Nissan Motor Corp. in U.S.A.

Nov. 28 — Dealers Auto Auction, Grand Prairie, Texas; and Fredericksburg Auto Auction, Fredericksburg, Va.

Subaru of America

Nov. 28 — Bay Cities Auto Auction, Hayward, Calif.

Nov. 29 — Indianapolis Auto Auction, Indianapolis.

Dec. 4 — Metro Auto Auction, Lee's Summit, Mo.

Dec. 5 — Utah Auto Auction, West Bountiful, Utah.

Dec. 6 — Minneapolis Northstar Auto Auction, Shakopee, Minn.

Dec. 11 — Florida Auto Auction, Ocoee, Fla.

Dec. 12 — Southern Auto Auction, East Windsor, Conn.

Toyota Motor Sales U.S.A.

Nov. 28 — Greater Tampa Bay Auto Auction, Tampa, Fla.

Nov. 29 — Denver Auto Auction, Aurora, Colo.; and Baltimore-Washington Auto Exchange, Baltimore.

Volkswagen of America

Dec. 6 — Los Angeles Dealers Auto Auction, Rosemead, Calif.

Dec. 13 — Ohio Auto Auction, Grove City, Ohio.

Dec. 18 — Newburgh Auto Auction, Newburgh, N.Y.

Volvo Cars of North America

Nov. 28 — Riverside Auto Auction, Riverside, Calif.

CANADIAN CAR AND TRUCK SALES

North American Car Sales

	Oct. 1990	Oct. 1989	10 mos., 1990	10 mos., 1989
GM	26,564	26,651	263,364	294,177
Ford	10,533	17,586	129,596	164,295
Chrysler	6,492	9,542	87,189	104,803
Honda	1,661	1,867	29,989	22,036
Toyota	1,319	902	10,850	10,369
Hyundai	572	810	5,776	7,597
Volvo	256	219	2,906	3,182
North American car total	**47,397**	**57,577**	**529,670**	**606,459**

Imported Car Sales

Honda	6,386	6,862	57,833	59,697
Toyota	4,459	4,844	55,881	56,871
Volkswagen	3,341	1,665	30,046	25,387
Nissan	2,242	3,094	20,895	24,989
Mazda*	2,072	2,091	26,505	23,039
Chrysler	1,258	1,332	13,129	18,504
Hyundai	1,169	1,804	13,554	23,793
GM**	793	354	5,569	4,697
Subaru	790	786	6,499	5,485
Ford	736	683	5,750	7,383
Suzuki	596	485	6,638	6,237
BMW	410	356	3,430	3,696
Mercedes-Benz	316	291	3,508	3,486
Volvo	158	306	2,046	2,731
Jaguar	71	109	918	1,340
Lada	35	38	543	557
Peugeot	11	12	97	208
Imported Car Total	**24,843**	**25,112**	**252,841**	**268,100**
TOTAL — ALL CARS	**72,240**	**82,689**	**782,511**	**874,559**

*Mazda declined to furnish a breakoutof North American built and imported car sales.

**GM imported total includes Passport and Saab sales.

North American Truck Sales

GM	11,761	14,161	129,144	143,165
Ford	8,833	11,910	105,438	120,128
Chrysler	5,706	8,040	73,806	87,962
North American Truck Total	**26,300**	**34,111**	**308,388**	**351,255**

Imported Truck Sales (including vans)

Mazda	1,523	1,482	16,462	15,155
Toyota	1,379	1,440	14,864	14,017
Nissan	1,195	1,368	12,322	11,583
Suzuki	647	639	6,317	6,477
GM	447	498	2,288	2,187
Chrysler	132	156	1,393	2,051
Volkswagen	40	48	807	720
Lada	23	14	188	201
Land Rover	19	0	46	0
Imported Truck Total	**5,405**	**5,645**	**54,687**	**52,391**
TOTAL — ALL TRUCKS	**31,705**	**39,756**	**363,075**	**403,646**
TOTAL — CARS, TRUCKS	**103,945**	**122,445**	**1,145,586**	**1,278,205**

Canada's Oct. car sales off 12%; trucks drop 20%

By Anne E. Wright
AUTOMOTIVE NEWS CHIEF STATISTICIAN

Total vehicle sales in Canada declined in October for the third month in a row. Cars dropped 12.64 percent, and trucks slipped 20.25 percent below October 1989 totals.

Sales of cars built in Canada and the United States, which are counted as domestic sales, were off 17.68 percent.

Imported car sales were down 269 units, or 1.08 percent below last year. Seven manufacturers increased import sales, including: General Motors, Volkswagen, Suzuki, BMW, Mercedes-Benz, Ford and Subaru.

For 10 months, total car sales in Canada were 12.64 percent below last year.

General Motors and Toyota were the only manufacturers to record increases in combined imported and North American car sales. Canadians bought 283 Lexus units, which are sold through Toyota dealers, helping Toyota inch above last year's total.

GM's total car sales in October increased 1.07 percent. Michael Erdman, vice president of marketing for GM of Canada, said GM was happy with its performance, "especially when we consider the softened state of the Canadian economy."

On the light-truck side, each of the Big 3 reported a loss: GM fell 16.95 percent; Ford Motor Co. was off 25.84 percent; and Chrysler Corp. dropped 29.03 percent. Imported trucks slipped 4.25 percent below the same month last year.

For 10 months, North American trucks were down 12.20 percent, and imported brands were up 4.38 percent.

Total vehicle sales through October were down 15.11 percent, or 18,500 units, below the 1989 total.

2 Olds programs aim at buyer satisfaction

LANSING, Mich. — Oldsmobile has introduced two customer satisfaction programs.

The first is a nationwide toll-free hotline called the Oldsmobile Customer Assistance Network. It began last January as a pilot project in Pittsburgh and has spread to 18 zones nationally.

After exhausting their options with dealers, Oldsmobile owners can dial (800) 442-OLDS and receive assistance from a staff of 60 customer service representatives. Another toll-free number, (800) 242-OLDS, handles product information inquires.

Buyers of 1991 Oldsmobiles are automatically included in the Oldsmobile Edge program, which allows customers to return their cars within 30 days/1,500 miles for credit toward a new Oldsmobile.

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California and styling: Be there or be square

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

In September, the king of luxury carmakers broke down and joined a commoners' club.

Mercedes-Benz AG sent designer Gerhard Steinle to California to open an American styling studio in Irvine. His mission: to find inspiration in the crowded streets of Southern California and translate it into design ideas for future Mercedes-Benz models.

"Mercedes is and always will be a German car," Steinle cautions. "But we must stay in touch with the market around us."

Not to be left behind, Germany's Volkswagen AG will open a studio in Simi Valley, Calif., this month, for largely the same reasons.

Such design centers are nothing new. Since Toyota Motor Co.'s Calty Design Research Inc. set up shop near the beach back in 1973, importers from Volvo to Mazda to Subaru have gotten into the act.

Detroit acknowledges California, too. Ford has an exclusive contract with a private studio there, and Chrysler and GM operate design centers.

As global competition heats up, those centers will play an increasingly vital role. In addition to generating vehicle concepts with an American flavor, the studios serve as monitoring posts, keeping overseas manufacturers up to date on consumer trends and changing tastes on issues from windshield slope to seat fabrics.

Gerhard Steinle: California helps Mercedes stay in touch.

"You can see any car in the world on the streets here," explains Dave Hackett, studio director at Toyota's Calty facility. "That kind of environment is great for a designer." Toyota is spending $17 million to triple the size of the operation and expand its design staff from about 45 to 65.

The urgency for U.S.-influenced design may be greater for the Japanese: the United States is their largest export market. Honda Motor Co. Ltd. sells two cars in the United States for each one sold in Japan.

More than that, the Japanese are now attempting to develop integrated U.S. subsidiaries capable of designing, engineering and producing cars and trucks in America for America. Most of the West Coast salons are still too young for any of their concepts to be in production at the Japanese transplants. But plans call for greater U.S. design influence:

- Honda of America Manufacturing Inc. will soon launch an Accord station wagon that was designed as a joint U.S.-Japanese endeavor.
- Nissan Motor Co.'s next-generation Pathfinder sport-utility — a concept originally drafted at Nissan Design International in San Diego — will probably be built at Nissan's Smyrna, Tenn., plant in the mid-1990s.
- Nissan Design International also participated in the design of a new Stanza replacement that Smyrna will produce in late 1992.
- And Subaru-Isuzu Automotive Inc. in Lafayette, Ind., will eventually add a new Subaru car to its production mix that might be based on a design from Subaru Design Center in Garden Grove, Calif. That four-year-old studio has submitted at least 15 concepts to headquarters in Japan for the project, all of which have been rejected, according to studio head Yuji Uemura.

So far, Japan's U.S. production — largely focused on basic, high-volume products — and its California showmanship are years apart. The concept labs focus on products that are three to five years ahead of the market. Few transplant factories even have capacity to build for new products.

Meanwhile, studio heads in California claim the mixture of laid-back West Coast culture and youthful energy is a flourishing creative environment for designers.

Calty will add a color lab to concentrate on trends in color. A fabric research office at Mazda Reseach and Development of North America Inc. in Irvine, Calif., bears almost no trace of belonging to the automotive industry. Nissan's design unit once adjourned for the afternoon so that its design staff could go see the movie "Batman," believing it to be rich in new trends.

Not everyone is convinced that California is the best place to experience America. James Womack, research director of the International Motor Vehicle Program at the Massachusetts Institute of Technology, calls the California salons "trendy" and says the West Coast is not typical of the country.

"If Honda really wants to seize the heartland, they'll take their designers out of California and put them in Ohio, which is a lot closer to real America," Womack says.

Such a move isn't likely. Studio heads also point out that young automotive designers seem to like living on the West Coast. "To attract young designers, we must be here," Mercedes' Steinle says. "The California lifestyle is very attractive."

R&D

FROM PAGE 1

begin production in the next few weeks in Marysville, Ohio, and which was largely engineered and designed by Honda Motor Co.'s U.S. employees. Though based on the Japanese-designed Accord sedan, the new wagon uses U.S.-designed machinery, U.S.-designed and -engineered body parts and a host of U.S.-engineered components.

Slowly but surely, the Japanese are getting closer to integrating design, engineering and manufacturing in America.

Gobi shelved

Consider the Nissan Gobi, the concept vehicle that crossed a sophisticated pickup with something off the streets of Roger Rabbit's 'Toon Town.

The cheerful little Gobi was the brainchild of Nissan Motor Co.'s San Diego creative team, Nissan Design International. It stole the North American International Auto Show in Detroit last January when it was unveiled.

Nissan officials said the U.S. manufacturing company would build the low-volume vehicle. Its U.S. engineers were already looking into if, when and how. To all appearances, it was a U.S. project using U.S. technical resources to produce a U.S.-designed and -engineered vehicle under a Japanese nameplate.

But by summer, the whole idea had been canned — deemed financially unfeasible.

The Gobi probably would have required Nissan to build a second U.S. assembly plant and strained U.S. engineering resources. Chassis assembly would have consumed capacity at Nissan's plant in Smyrna, Tenn., which is currently juggling a new Sentra, a pickup, and plans for a second sedan and, possibly, the Pathfinder.

The Gobi now sits in an r&d center in Japan. Although it won't be built, Japanese designers are curiously scrutinizing it to learn how their California colleagues tapped the American fancy.

"It's a difficult thing to explain to them," says Gerald Hirshberg, Nissan Design International executive vice president. "What was it about the Gobi that made people in America smile? You really have to be here to feel it."

Apparently, plenty of importers agree with Hirshberg.

Toyota Motor Co. is spending $44 million to expand its Calty Design Research Inc. in Newport Beach, Calif., adding another 20 design engineers.

Isuzu Motors Ltd. occupies a new studio in Cerritos, Calif. Fuji Heavy Industries Ltd. maintains a design center in Garden Grove, Calif., to produce concepts for its Subaru vehicles. Even Mercedes-Benz AG, the king of the European imports, opened shop in September in Irvine, Calif., to send designs back to Germany.

Volvo AB of Sweden operates a California studio in Camarillo, and Volkswagen AG opened one this month in Simi Valley.

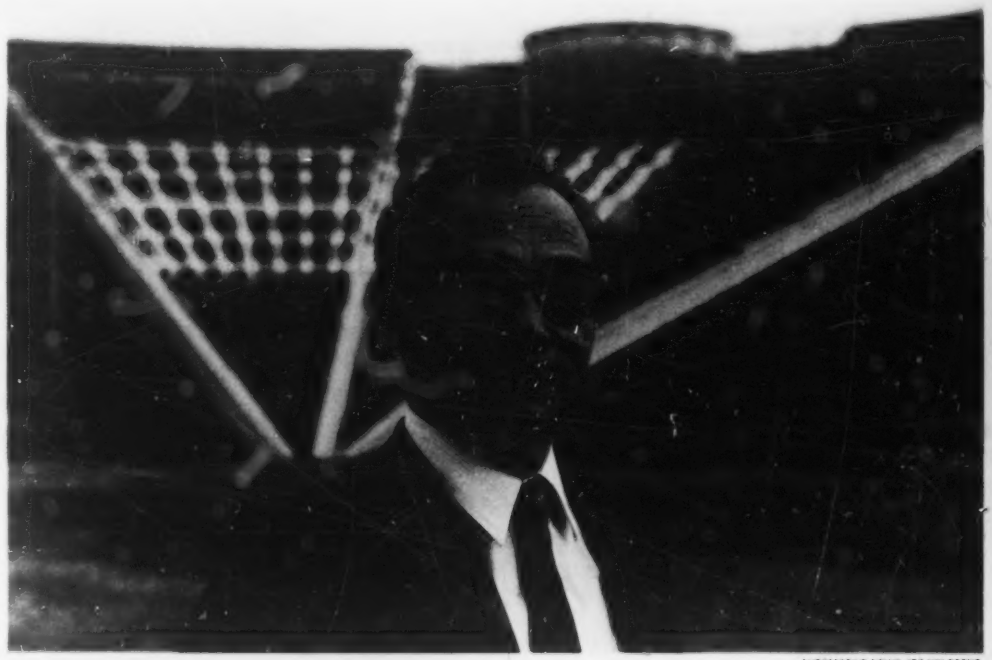
Nissan's Hirshberg, a former rising star in design at General Motors, came to Nissan and to California 11 years ago to find new, creative opportunities. His story is not unusual among the studios up and down the coast.

"It's a wonderful feeling to design a car the way you think it should look, and to have the company take the drawing and build it like you said," Hirshberg explains. "If they wiggle our surface more than three millimeters, I get letters of apology from Japan."

Adds Dave Hackett, a former Ford Motor Co. designer who is now studio director at Toyota's Calty: "In Detroit, you're too close to some vice president's office. It's too easy for the business guys to drop around to see what you're doing. After a while, you know what they think, so you sort of censor yourself."

Ties that bind

Japan's burgeoning U.S. technical centers are proving adept at translating drawings from Japan into machinery and components that meet U.S. specifications.



AUTOMOTIVE NEWS JOE WILSSENS

Takeshi Tanuma, CEO of Nissan Research and Development, at his rising new facility in Michigan: "We need good engineers . . . and 80 percent of all U.S. automotive engineers live in this area."

But marshalling cohesive U.S. car-producing machines could be a slow process. So far, the path from the California studios to the transplant factories still winds its way through the Japanese tech centers.

Nissan Design International's 240SX design, for example, went to Japan for production, while Nissan's Smyrna plant concentrates on producing the Japanese-spawned Sentra.

"It will take at least a decade to bring these operations up to speed," says James Womack, research director for the International Motor Vehicle Program at the Massachusetts Institute of Technology.

"It will take young people who can learn the company's way of doing things from the ground up," Womack said. "And it will take a lot of domestic suppliers who will have to learn new methods of operating. I predict we will only begin to see the real results of these moves in the next century."

Yet the moves continue. Nissan has nearly completed a $50-million r&d center in Farmington Hills, Mich., in the heart of Big 3 country, where it will employ a technical staff of almost 500. A second Nissan office in Ann Arbor, Mich., now conducts engine and powertrain research, an indication of the carmaker's plans to open a U.S. engine plant.

Little by little, Nissan's U.S. operation is gaining experience in vehicle development.

The two-door Sentra that went into production this fall was largely U.S.-engineered from Japanese clay models. A new Stanza slated for model-year 1992 production in Smyrna will have considerably more U.S. involvement.

More expansion

At the same time, Toyota Motor Co. is midway through a technical expansion across the United States that will boost product and component-engineering personnel from 190 now to about 600 in four years.

Toyota just kicked off a $45 million expansion of its Toyota Technical Center in Ann Arbor, Mich. That project follows last year's opening of a Southfield, Mich., center to handle design engineering on body panels and trim.

Toyota also announced this year that it would develop a 12,000-acre vehicle proving ground in Arizona — one of the country's largest.

Honda Motor Co. Ltd. has committed at least $27 million to expanding Honda Research and De-

see R&D, page 43

R&D

FROM PAGE 42

velopment North America in Marysville, Ohio. The project — referred to as the "first phase" — will nearly double the Ohio staff to 300 in the early 1990s. The closely tied Honda Engineering North America in Marysville will be expanded from about 180 technicians to about 300, with more r&d expansions likely to follow.

Expansion of the two Honda engineering subsidiaries will boost its total U.S. r&d staffing over the next two or three years from the current 300 to more than 600.

Isuzu, which owns 49 percent of the Subaru-Isuzu Automotive Inc. transplant in Lafayette, Ind., broke ground in Novi, Mich., this summer on a new branch of its California r&d office, where it eventually plans to employ 150 in component engineering, engine testing and technical support.

Mitsubishi Motors Corp. and Mazda Motor Corp. each maintain two technical offices in Michigan.

Takeshi Tanuma, president of Nissan's r&d operation in Michigan, is bullish on growing technical roots in America.

"We need good engineers in America in order to produce American cars, and 80 percent of all U.S. automotive engineers live in this area," he says.

"Most U.S. suppliers have operations here. How can we establish relationships with these people if we live in Tokyo? How can you imagine the American customer's way of living if you live in Tokyo, in a Japanese house, and drive on Japanese highways?"

Grand strategies

Why bother recreating expensive design and development centers here when existing Japanese organizations already claim nearly 28 percent of the U.S. car market?

An obvious reason is Japan's desire to keep up with an evolving American customer. Subtle market shifts — like the demand for curvier, more "European" styling — keep importers hopping. By establishing North American facilities to watch for such shifts and to speed up product alterations and factory tooling, the Japanese feel they will respond faster to consumer trends.

Self-sufficiency spells competitive advantage. The Big 3 are already working to reduce the time to bring new concepts to market. GM wants to cut its lead time from an average 48 months to 24 months. Honda shaved several months of development time off its current Accord model by calling on r&d and engineering staffs at the Marysville Accord plant.

Another reason is the complex world of U.S.-Japanese trade politics. Congress and U.S. trade officials continue to pressure Japanese automakers to use more American-made components. As the transplants commit themselves to purchasing greater volumes of U.S. parts, they are virtually bound by logistics to open technical centers to make it possible.

In addition, the expense of the technical centers and staff counts as domestic content. Higher domestic content opens import-export doors and can be of advantage in calculating corporate average fuel economy.

All of the centers are taking on a growing list of duties: qualifying suppliers, helping suppliers develop new components, and testing the final products. Travel time is reduced for U.S.-based manufacturing engineers and suppliers, and the level of U.S. componentry in the cars is slowly increasing.

Almost All-American

Honda's upcoming Accord station wagon offer a glimpse into what the expanded North American operations can do. Although based on the Japanese-developed Accord sedan, the new wagon is the closest that any of the transplants has come to creating an American car from design through manufacture.

In December, Honda's Marysville Accord plant will launch the wagon, based on prototypes that were built by Honda Engineering in Marysville. Honda will use machinery and dies that were built on-site. It will rely on specifications from Honda r&d in Marysville, and incorporate designs produced both in Japan and in its studios in Torrance, Calif.

Some of the machinery was developed in Japan. From the front seat forward, the car is largely the work of Honda of Japan. But the rest — including hundreds of unique components developed and supplied by North American firms — is decidedly Honda of America.

The door handles for the new product show why expanded U.S. support is necessary. In Japan, Honda knows little about tooling for handles, which are outsourced. To create handles for the wagon, American engineers had to develop the tooling from scratch, working in the Marysville facility with the prototype.

"We had to be here to do that," says John Adams, a Honda engineering vice president who came to Honda from a computer automation company in Columbus, Ohio. "If we're going to develop one section of our company in North America, we believe it's necessary to develop totally. For our manufacturing to continue to develop and be successful here, you need engineering and r&d support."

The lingering gap

Honda's decision to build the wagon prototype in-house rather than though a U.S. prototype shop, as the Big 3 commonly do, illustrates lingering differences between the transplants and the Big 3.

Initially, Honda officials were concerned that security might be breached by involving an outside shop in the Detroit area. Further, no one outside Honda appeared to understand the company's meticulous method of producing vehicles on short schedules. Honda officials demand to be firmly in command of the project's cost and quality decisions — a posture that Adams and other Honda executives refer to as "the Honda way."

"We have no timetable for when we will be self-sufficient, but we are moving toward that goal," Adams says. "It's not a skills issue, it's capacity. We're working on a manpower problem. We're trying to find people who are willing to come learn the Honda way."

For now, the greatest benefit of the expanding American r&d and design operations may be simple convenience. Considerable development work still takes place in Japan, requiring suppliers and U.S. staffs to shuttle back and forth for prototyping, meetings and production runs.

Suppliers for Nissan's two-door Sentra project still had to take numerous trips to Japan for prototyping, even though the model was largely engineered in Tennessee. Work on Nissan's next U.S. car in 1992 will mean numerous trips only as far as the Detroit suburbs.

Where Japanese automakers have research & design facilities

IMPORT R&D DESIGN CENTERS

Company	Year opened	Current employees	Senior official	Principal function/Major models
Honda R&D North America Inc.				
Torrance, Calif.	1975	125	Kumitaka Sakai, president	Design and develop autos, motorcycles and power equipment
Marysville, Ohio	1985	175	Noboru Hashimoto, senior vice president	Produce and test prototype vehicles; qualify suppliers; develop vehicle components. **'91 Accord wagon.**
Honda Engineering North America				
Marysville, Ohio	1988	180	Ryo Niikawa, president	Design and develop body and drivetrain-production equipment, dies and welding machinery
Isuzu Technical Center of America Inc.				
Cerritos, Calif.	1985	62	Ikira Watanabe, president	Vehicle design studio; vehicle testing; emissions testing
Plymouth, Mich.	1990	18	Susumu Goto, vice president, general manager	Component engineering; engine-testing; emissions testing
Mazda Research and Development of North America Inc.				
Irvine, Calif.	1972	85	Hiroshi Moriyoshi, president	Product planning, design, engineering and testing. **Miata, MPV, MX-6.**
Ann Arbor, Mich.	1988	20	Hiroshi Ozeiki, executive vice president	Emissions testing; engineering research
Flat Rock, Mich.	1988	39	Hiroshi Ozeiki, executive vice president	Air conditioning system engineering; local parts sourcing
Mitsubishi Design Studio				
Cypress, Calif.	1973	88	T. Ohinouwe	Design engineering of vehicles
Mitsubishi Motors of America				
Southfield, Mich.	1984	NA	H. Yoshizawa	Emissions testing; coordination of business affairs between Mitsubishi Motor Corp. and Chrysler Corp.
Nissan Design International				
San Diego	1979	45	Hidehiro Iizuka	Design studio for vehicles and components. **240SX, Gobi concept truck, Maxima, Pathfinder, Pulsar NX.**
Nissan Research & Development				
Plymouth, Mich.	1983	400	Takeshi Tanuma, president	Engineering of parts for U.S.-made vehicles
Ann Arbor, Mich.	1978	NA	Kazumasa Katoh, general manager	Vehicle emissions testing; engine and powertrain research; technical planning
Subaru Technical Center				
Garden Grove, Calif.	1973	65	Walter Biggers	Test vehicles; develop and test components
Subaru Research and Design				
Garden Grove, Calif.	1986	13	Yuji Uemura	Concept design studio, production drawings. **SRD1 concept sports wagon.**
Calty Design Research Inc. (Toyota)				
Newport Beach, Calif.	1973	45	Hiroaki Ohba, executive vice president	Produce vehicle concepts. **Previa, 1991 Celica, Lexus LS400.**
Toyota Technical Center U.S.A. Inc.				
Gardena, Calif.	1977	NA	Kenji Ito	Coordinate vehicle development and testing in North America
Torrance, Calif.	1977	82	NA	Test prototype vehicles for U.S. market
Southfield, Mich.	1989	50	NA	Design engineering for body-panel, trim components; develop new production technology; provide technical support to North American manufacturing plants
Ann Arbor, Mich.	1984	48	NA	Evaluate prototype parts; EPA emissions certification
San Francisco	1989	4	NA	Technical support for NUMMI plant
Lexington, Ky.	1989	6	NA	Technical support for Toyota plant

Three European car manufacturers also have design centers in the United States. They are: Mercedes-Benz Advanced Design of North America Inc. of Irvine, Calif., established 1990, 4 employees, Gerhardt Steinle, president; Volkswagen of America Inc. Design Center of Simi Valley, Calif., established 1990, 10 employees, Michael Tozer, director; and Volvo Monitoring and Concept Center of Camarillo, Calif., established 1986, 10 employees, Sylvia Vogel, general manager.

AUTOMOTIVE NEWS / DAVID L. BURNHAM

OBITUARIES

Charles J. Scanlon

ESSEX, Conn. — Charles J. Scanlon, 75, a retired vice president of General Motors, died Nov. 15. He retired in 1980 as GM vice president and coordinator of pension fund investments. He was a director of General Motors Acceptance Corp. and Motors Insurance Corp. and was president of the Federal Reserve Bank of Chicago before joining GM.

Ernest H. Bellard Jr.

PONTE VEDRA BEACH, Fla. — Ernest H. Bellard Jr., who retired in 1982 as manager of Oldsmobile's Jacksonville, Fla., zone, died Nov. 1. He was 68. He was with Oldsmobile 34 years and served in the Oklahoma City; Atlanta; Buffalo, N.Y.; Detroit; New York and Washington zones before being named to the Jacksonville post in 1965.

INCENTIVE WATCH
CUSTOMER INCENTIVES

	Rebates	Expiration Date
Chrysler Corp. (1989-90)		
Chrysler	$500-2,000	12/16
Town & Country	$1,000	12/16
Dodge cars	$1,000-2,500	12/16
Dodge trucks	$750-2,500	12/16
Eagle	$1,000-2,500	12/16
Jeep	$1,000-3,000	12/16
Plymouth	$1,000-1,300	12/16
Voyager	$1,000	12/16
Finance rate, in lieu of rebate, starts at 7.9 percent		
Chrysler Corp. (1991)		
Chrysler	$500-750	12/16
Dodge cars	$400-1,000	12/16
Dodge trucks	$500-750	12/16
Eagle	$400-500	12/16
Jeep	$500-3,000	12/16
Plymouth	$400-500	12/16
Ford Motor Co. (1990)		
Festiva	$700	12/11
Escort	$1,000	12/11
Ranger	$1,500	12/11
Lincoln	$1,500	12/11
Ford Motor Co. (1991)		
Ford cars	$500-750	12/11
Ford trucks	$500-1,000	12/11
Mercury	$500-750	12/11
Finance rate, in lieu of rebate, starts at 7.9 percent. Rebate on 1991 Crown Victoria expires Jan. 31, 1991		
General Motors (1990)		
Buick Reatta*	$3,000	12/12
Other Buick*	$250-1,000	12/12
Cadillac	$1,500	12/12
Chevrolet Geo	$500-1,250	12/12
Other cars	$500-1,000	12/12
Geo Tracker	$1,000	12/12
Other trucks	$500-1,000	12/12
Oldsmobile	$1,500-2,500	12/12
Pontiac	$500-1,000	12/12
*Based on option package selected. All makes except Cadillac offer cut-rate financing in lieu of rebates.		
General Motors (1991)		
Buick Reatta*	$3,000	12/12
Other Buick*	$250-1,000	12/12
Cadillac Brougham	$1,500	12/12
Chevrolet Geo	$500-800	12/12
Other cars	$500-1,000	12/12
Geo Tracker	$500-1,000	12/12
Other trucks	$500-1,000	12/12
Oldsmobile	$500-1,500	12/12
Pontiac	$500-750	12/12
*Based on option package selected. All makes except Cadillac offer cut-rate financing in lieu of rebates.		
Hyundai (1990)	$500-1,250	12/3
Jaguar (1990-91)	$5,000 for owners of '88 Jaguars	12/31
Mazda (1990)		
Cars	$750-1,500	1/3
Trucks	$1,000-1,250 plus free trim package	1/3
MPV	$886-1,246 discount on option packages	1/3
Subaru (1990)		
Loyale	$300-1,050	1/3
Note: Some makers offer rebates to buyers of 1988 and 1989 models. Those programs are omitted from this table because of the limited number of those vehicles still in dealers' hands.		

INCENTIVE WATCH
DEALER INCENTIVES

	Rebate	Expiration Date
Chrysler Corp. (1989-91)		
Cars & trucks	$250-1,000, quota	12/31
Ford Motor Co. (1990)		
Ford cars	$1,000-1,400	12/11
Taurus SHO	$3,000	12/11
Trucks	$1,100-1,500	12/11
Mercury	$1,000-1,500	12/11
Audi (1990)		
100 Series	$3,000	12/31
Hyundai (1990)	$150-500, quota	12/3
Isuzu (1990)		
Impulse	$1,500	12/31
Trooper	$1,700	12/31
Pickup	$1,700	12/31
Mitsubishi (1990-91)		
Mirage	$500-1,000	12/31
Other cars	$350-2,000, quota	12/31
Trucks	$350-2,000*	12/31
*Some truck rebates are based on quotas. Mitsubishi rebates vary by region.		
Nissan (1990)		
Sentra	$500-1,500	12/31
Stanza	$800-1,500, based on number sold	12/31
Maxima	$200-700, based on number sold	12/31
240SX	$1,000-2,000, based on number sold	12/31
Trucks	$1,200	12/31
Nissan (1991)		
Trucks	$400-800, based on number sold	1/4
Peugeot (1989)		
405	$2,500-3,500	None
Subaru		
Justy (1990-91)	$500	1/3
XT (1989-91)	$2,000	1/3
Loyale (1990)	$800-1,500, quota	1/3
Legacy (1990)	$1,500-2,000, quota	1/3
Legacy (1991)	$900-1,400, quota	1/3
Suzuki (1990)		
Swift	$400-1,000, based on number sold	12/3
Sidekick	$1,000-2,000, based on number sold	12/3
Suzuki (1991)		
Swift	$500-1,000, based on number sold	12/3
Sidekick	$500-1,000, based on number sold	12/3
Toyota (1989-91)		
Corolla, Camry	$200-1,100 quota	1/3
Trucks	$200-1,200 quota	1/3
Volkswagen (1990)		
Golf	$500	12/31
Fox	$500	None
Corrado	$1,500	None
Note: Some makers offer rebates to dealers on sales of 1988 and 1989 models. Most of those programs are omitted from this table because of the limited number of those vehicles still in dealers' hands.		

SPEAKERS

FROM PAGE 3

signer for Isuzu Technical Center of America.

Taylor started his automotive career in 1981 at a design consulting firm that worked for Suzuki Motor Corp. in the United States.

In 1984, he moved to West Germany, where he designed cars for Opel. In 1987, he joined the Isuzu Technical Center.

The other five Monday afternoon speakers are:

- **Clarence Ditlow,** executive director of the Center for Auto Safety since 1976.

Ditlow, a chemical engineer and attorney, directs the consumer group, whose purpose is to improve automobile safety, repair services and highways. He has played a role in initiating recalls, including one for 1.5 million Ford Pintos for exploding gas tanks. He led consumer efforts to get lemon laws passed in 47 states.

He testifies frequently before congressional committees and federal agencies on auto safety, warranties, air pollution, gasoline prices, energy conservation, patents and inventions.

He directed the Public Interest Research Group from 1971 to 1975.

- **Lester P. Lamm,** president of the Highway Users Federation for Safety and Mobility.

Lamm had a 31-year career with the Federal Highway Administration and its forerunner, the U.S. Bureau of Public Roads. He became the Federal Highway Administration's executive director in 1973. In 1982, President Reagan appointed Lamm deputy administrator of that organization.

Lamm was elected the fourth president of the Highway Users Federation in 1986. He also serves as president of the Intelligent Vehicle-Highway Society of America, which was formed earlier this year to support "smart" technology for roads and vehicles into the 21st century.

- **Toyoji "Tom" Yashiki,** executive vice president of Honda of America Manufacturing Inc. and director of Honda Motor Co. Ltd.

Yashiki joined Honda Motor Co. in Japan in 1964. He managed the Sayama plant from 1980 to 1981 and the Wako plant from 1981 to 1983.

He came to Honda of America Manufacturing in 1984 as a member of the Anna, Ohio, engine plant project team and was named plant manager in 1985.

- **Susan M. Cischke,** executive engineer, Proving Ground Operations, Chrysler Corp.

Cischke joined Chrysler in 1976 as a management trainee. From 1978 to 1986, she was a design/development engineer. She became supervisor of instrumentation and interior lighting in 1985 and was named manager of sensors, actuators and ignition systems in 1987. A year later, she was appointed chief engineer of vehicle environmental systems, and in 1989 she was named to her present position.

Cischke is responsible for the testing, evaluating and development of all prototype and production vehicles at Chrysler's proving grounds in Chelsea, Mich., and Arizona and at selected field sites.

- **Professor Garel Rhys,** head of the Economics Section, Cardiff Business School, University of Wales.

Rhys' interest in the auto industry started while he was preparing a thesis on the "Economics of the British Commercial Vehicle Industry," in the early 1960s.

In addition to his post at the university, Rhys is a fellow of the Institute of Transport Administration and the Institute of the Motor Industry, of which he is also a vice president. In addition to lecturing and writing on the automotive industry, he has done radio and television broadcasts on the economics of the industry.

For further World Congress information, write Wendy Barhydt, World Congress, UMTRI/OSAT, 2901 Baxter Road, Ann Arbor, Mich. 48108-2150, or telephone her at 313-936-1049.

1991 WORLD CONGRESS SPEAKERS

SUNDAY, JAN. 13
EVENING

Robert Lutz, president, Chrysler Motors

Joseph T. Gorman, chairman, president and CEO, TRW Inc.

MONDAY, JAN. 14
MORNING

Hans-Jorg Hungerland, board of management, Volkswagen

William Rosenberg, assistant administrator, EPA

David J. Herman, president and CEO, Saab Automobile AB

John Rock, general manager, GMC Truck Division

MONDAY AFTERNOON

E.F. "Fritz" Kern, senior vice president and general manager, American Isuzu Motors Inc.; **Richard T. McKinnon,** vice president of manufacturing, Subaru-Isuzu Automotive Inc.; **Charles Taylor,** assistant chief designer, Isuzu Technical Center of America

Clarence Ditlow, executive director, Center for Auto Safety

Lester P. Lamm, president, Highway Users Federation for Safety and Mobility

Toyoji "Tom" Yashiki, executive vice president, Honda of America Manufacturing Inc. and director of Honda Motor Co. Ltd.

Susan M. Cischke, executive engineer, Proving Ground Operations, Chrysler Corp.

Professor Garel Rhys, head of Economics Section, Cardiff Business School, University of Wales

MONDAY EVENING

Clark Vitulli, senior vice president and general manager, Mazda Motor of America Inc.

William Hoglund, executive vice president, Automotive Components Group and Power Products and Defense Operations Group, General Motors

TUESDAY, JAN. 15
MORNING

Ernest Lofton, vice president, UAW

Donald Runkle, vice president, advanced engineering staff, General Motors

TUESDAY AFTERNOON

Karl-Heinz Faber, senior vice president of product compliance, service and parts, Mercedes-Benz of North America Inc.

Shirley Young, vice president of consumer market development, General Motors

Walter Huizenga, president, American International Automobile Dealers Association

C. Raymond Rogers, principal, Kepner-Tregoe Inc.

Graham Morris, president, Sterling Motor Cars

Guy Briggs, vice president of manufacturing, Saturn Corp. **Mike Bonnett,** president, UAW Local 1853 at Saturn Corp.

TUESDAY EVENING GALA

Wolfgang Reitzle, management board member, head of Development Division, BMW AG

Fred C. "Fritz" Mayhew, chief design executive, North American Design, Ford Motor Co.

WEDNESDAY, Jan. 16
MORNING

M.A. "Raz" Razaq, regional director, Eastern Europe and export markets, General Motors

Mario Maioli, vice president, style coordination, Fiat Auto S.p.A.

Lee Miskowski, vice president and general manager, Ford Parts and Service Division, Ford Motor Co.

J.C. "Jim" Perkins, general manager, Chevrolet

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VOLKSWAGEN

FROM PAGE 3

sales totalled 1,965 in October, compared to 1,360 in September. Although sales are still below the 3,000 per month projected when the car was introduced in March, Hungerland said the guaranteed money-back program helped introduce the Passat to American consumers.

Under Young and Hungerland, VW will open a design center in Los Angeles next month, its first in the United States, so that it can design its cars more to the likes of U.S. consumers.

"In America, design is probably the most appealing" attribute when purchasing a car, Hungerland said, followed by price/value and brand name.

VW has committed $40 million on a new headquarters in Auburn Hills, Mich., which it will occupy next year.

Hungerland and Young had the unpleasant task of reducing the company's work force in the United States to streamline the business. At least 1,000 jobs were cut during their tenure.

"We are meeting the needs of the American consumer and most importantly, we are satisfying the dealers," Hungerland said.

Hungerland, 49, will be responsible for VW and Audi sales worldwide in his new position on the newly created Board of Management in Wolfsburg, Germany.

Other major divisions of the board will be research and development, production, purchasing and finance. The board's function is to focus on future strategy.

SATURN

FROM PAGE 1

Would-be buyers swarmed over the car when it went on the block, and the SL1 brought $1,000 over sticker price, despite its odometer reading of 1,489 miles.

The SL1 was bought for $10,400 by Mark Kuehn, one of the principals of Kuehn Motor Inc. of Rochester, Minn., said auction general manager Joe Greco.

Kuehn Motor operates used-car lots in Rochester, Owatonna, Austin and Spring Valley as well as Kuehn Leasing Co., said Charles E. Kuehn Jr., Mark Kuehn's brother.

"We're anxious to get it in and display it. Then we'll lease it," Charles Kuehn said.

Enlisted in October to help fight Saturn's war against Japanese import cars, the SL1 was among the first cars shipped to the front lines from the plant in Spring Hill, Tenn.

The gray sedan, which has a brief but interesting history, was one of the first Saturns sold in Florida, and probably was the first Saturn in Connecticut and the first Saturn in Minnesota.

The original owner, a friend of Chevrolet dealer John Barberino, bought the car about three weeks ago from Saturn of North Broward in Light House Point, Fla.

Barberino said he enlisted his friend because he doubted that a Saturn dealer would sell a car to a Chevrolet dealer.

The car was driven to Granby, Conn., where Barberino used the Saturn as a traffic booster at his dealership, Stephen Chevrolet.

"We advertised the car in the paper, saying we were not an authorized Saturn dealer, but we wanted to be," Barberino said. "We did it for promotional purposes — there are no Saturn dealers open in Connecticut."

The Saturn drew significant interest at the dealership, but Barberino said he doesn't think he sold any Chevrolets because of it.

"People were interested in the Saturn," he said.

After the promotion ended, Barberino said he had the Saturn trucked to the auction in Orlando, where he estimated 250 potential buyers huddled around the car.

The SL1 carried a base price of $8,595, and its only option was a $760 package that included power windows and door locks — total manufacturer's suggested retail price was $9,355.

"We left the window sticker on it at the auction, so everybody knew what the sticker price was," said Barberino, who also owns a Subaru dealership in Torrington, Conn., and a Chevrolet-Buick store in Winstead, Conn.

Charles Kuehn said he wasn't shocked to pay $1,000 over sticker to acquire the Saturn, adding that he'll probably take a $1,000 write-off for advertising.

Barberino, whose brother is megadealer Stephen J. Barberino Sr., said he still wants to be a Saturn dealer. But Barberino said he was told by Saturn that franchises only will be awarded in metropolitan areas, and Granby is in northern Connecticut, between Hartford, Conn., and Springfield, Mass.

PRODUCTION

U.S. CAR

	Week Ended Nov. 24, 1990	Week Ended Nov. 17, 1990	Nov. to Date	Jan. 1 to Nov. 24, 1990	Jan. 1 to Nov. 25, 1989
Horizon	0	0	0	4,327	31,432
Sundance	1,400	0	4,692	80,470	93,073
Acclaim	1,800	3,141	9,174	108,492	117,200
Total Plymouth	**3,200**	**3,141**	**13,867**	**193,289**	**241,705**
LeBaron A	0	0	0	8,071†	0
LeBaron J	900	0	2,884	47,387	85,779
LeBaron GTS	0	0	0	0	2,946
N. Yorker C-Class	100	36	759	33,478	71,814
Fifth Avenue	600	1,089	3,173	33,705	24,024
Imperial	200	442	1,278	17,654	3,536
Total Chrysler	**1,800**	**1,567**	**8,094**	**140,295**	**188,099**
Omni	0	0	0	4,078	33,478
Daytona	400	0	1,429	30,977	66,925
Shadow	1,400	0	4,814	88,352	93,399
Dynasty	1,800	3,383	9,381	110,394	121,148
Lancer	0	0	0	0	1,528
Spirit	1,500	2,369	7,310	95,765	100,506
Total Dodge	**5,100**	**5,752**	**22,934**	**329,566**	**416,984**
CHRYSLER MOTORS	**10,100**	**10,460**	**44,896**	**663,150**	**846,788**
Escort	3,504	7,588	19,759	234,181	323,750
Mustang	1,431	2,726	8,562	124,385	173,485
Tempo	1,942	2,979	5,854	115,849	135,320
Taurus	4,773	7,320	14,927	305,805	329,938
Thunderbird	1,661	0	2,770	102,416	130,083
Total Ford Div.	**13,311**	**20,613**	**51,872**	**882,636**	**1,092,576**
Topaz	654	1,010	1,968	43,296	61,313
Cougar	1,240	0	1,712	67,566	111,035
Sable	1,245	1,951	3,995	94,012	108,923
Total Mercury	**3,139**	**2,961**	**7,675**	**204,874**	**281,271**
Continental	707	1,148	3,296	53,915	59,340
Mark VII	125	185	550	17,191	19,246
Town Car	1,664	2,695	7,727	134,703	113,763
Total Lincoln	**2,496**	**4,028**	**11,573**	**205,809**	**192,349**
Total L-M Div.	**5,635**	**6,989**	**19,248**	**410,683**	**473,620**
FORD MOTOR CO.	**18,946**	**27,602**	**71,120**	**1,293,319**	**1,566,196**
Skyhawk	0	0	0	0	6,913
Skylark/Somerset	1,500	2,505	7,363	86,861	60,568
Century	1,029	0	1,651	60,327	114,915
Riviera	176	0	965	20,155	18,652
Electra/Park Ave.	0	0	4,094	56,981	71,852
LeSabre (fwd)	1,857	1,843	8,302	146,665	140,662
LeSabre (rwd)	0	0	0	4,022	7,157
Reatta	0	0	0	5,277	5,752
Total Buick	**4,562**	**4,348**	**22,374**	**380,288**	**426,471**
Eldorado	413	0	1,076	19,345	27,113
Seville	627	0	1,688	31,238	21,048
Brougham (rwd)	837	704	2,655	28,918	49,875
DeVille (fwd)	2,852	2,031	10,648	150,276	167,270
Allante	0	0	35	3,290	2,887
Total Cadillac	**4,729**	**2,735**	**16,102**	**233,067**	**268,193**
Cavalier	4,874	8,250	26,737	323,891	329,924
Camaro	0	0	835	66,740	92,338
Celebrity	0	0	0	0	70,720
Corsica/Beretta	3,555	2,137	10,343	254,459	333,979
Caprice	1,251	0	4,429	187,952	152,118
Corvette	288	396	908	21,226	22,970
Total Chevrolet	**9,968**	**10,783**	**43,245**	**854,268**	**1,002,849**
Calais	1,092	1,748	5,606	94,554	81,234
Cutlass Ciera	771	0	1,204	61,515	79,014
Cutlass Supreme	1,338	1,995	6,406	87,260	103,550
Toronado	120	0	645	13,977	8,890
88 (fwd)	1,198	1,211	5,673	94,921	131,027
88 (rwd)	0	0	0	1,223	7,160
98	236	41	840	38,381	65,872
Total Oldsmobile	**4,755**	**4,995**	**26,374**	**391,831**	**476,747**
Sunbird	2,386	4,112	12,342	151,309	137,375
Grand Am	2,880	4,757	14,489	200,030	207,655
Firebird	0	0	445	38,956	52,681
Grand Prix	0	0	1,276	106,648	117,333
Pontiac 6000	615	0	981	48,556	72,452
Bonneville	0	0	2,313	69,127	84,446
Safari/Parisienne	0	0	0	0	2,691
Total Pontiac	**5,881**	**8,869**	**31,845**	**614,626**	**674,63**
Total Saturn	**798**	**1,331**	**3,882**	**6,891**	
GENERAL MOTORS	**30,693**	**33,061**	**137,823**	**2,488,771**	**2,849,093**
DIAMOND-STAR	**1,980**	**3,252**	**9,887**	**137,888**	**79,825**
HONDA	**5,270**	**9,136**	**27,809**	**367,799**	**332,377**
Civic	750	1,515	4,620	94,620	122,252
Accord	4,520	7,621	23,189	303,179	210,125
MAZDA†	**2,796**	**4,176**	**12,986**	**184,205**	**187,374**
NISSAN	**1,864**	**2,768**	**8,918**	**85,573**	**106,415**
NUMMI	**2,500**	**5,263**	**14,268**	**186,063**	**178,948**
Corolla	1,250	2,637	7,165	93,603	73,601
Geo Prizm/Nova	1,250	2,626	7,095	92,480	105,339
SUBARU-ISUZU	**750**	**1,298**	**3,756**	**29,552**	**4,157**
TOYOTA	**2,721**	**4,575**	**13,846**	**199,337**	**134,408**
TOTAL CARS, U.S.	**77,429**	**101,631**	**344,979**	**5,637,597**	**6,284,573**
TOTAL CARS, CANADA	**24,121**	**22,363**	**81,574**	**987,182**	**912,161**
U.S., CANADA CARS	**101,541**	**123,994**	**426,553**	**6,624,779**	**7,196,734**
U.S., CANADA CARS AND TRUCKS	**163,099**	**200,119**	**675,446**	**10,981,818**	**11,814,327**

Monthly estimates may contain error of one or two units due to rounding.
†Total includes MX-6, 626, and Ford Probe

CANADIAN CAR

	Week Ended Nov. 24, 1990	Week Ended Nov. 17, 1990	Nov. to Date	Jan. 1 to Nov. 24, 1990	Jan. 1 to Nov. 25, 1989
Monaco	0	0	848	9,744	0
Premier	0	0	830	11,305	30,848
CHRYSLER MOTORS	**0**	**0**	**1,679**	**21,049**	**30,848**
Tempo	2,805	0	3,984	101,119	118,380
Topaz	685	0	984	36,796	52,945
Crown Victoria	2,677	2,943	9,621	111,261	107,941
Grand Marquis	2,564	2,813	9,330	104,870	116,477
FORD MOTOR CO.	**8,731**	**5,756**	**23,920**	**354,046**	**395,743**
Celebrity	0	0	0	20,319	23,906
Cutlass Ciera	1,780	1,780	6,067	71,995	111,084
Lumina	5,365	5,492	18,469	205,526	165,487
Regal	2,615	2,461	8,826	92,711	70,121
GENERAL MOTORS	**9,780**	**9,733**	**33,361**	**390,551**	**370,598**
CAMI	**1,320**	**2,200**	**7,076**	**41,452**	**0**
HONDA	**2,150**	**2,176**	**7,525**	**95,115**	**78,065**
HYUNDAI	**1,000**	**812**	**2,894**	**23,240**	**13,280**
TOYOTA	**780**	**1,362**	**4,184**	**55,975**	**15,249**
VOLVO	**360**	**324**	**936**	**7,649**	**7,370**
TOTAL CARS, CANADA	**24,121**	**22,363**	**81,574**	**987,182**	**912,161**

U.S. TRUCK

Caravan	1,000	1,919	5,368	82,227	97,637
Dakota	1,100	0	3,844	66,285	85,366
Caravan C/V	0	0	0	4,171	5,997
Ram pickups	1,200	0	4,054	94,372	83,558
Total Dodge	**3,300**	**1,919**	**13,265**	**247,055**	**272,558**
Cherokee	2,350	3,890	11,719	143,427	194,201
Comanche	200	343	1,017	8,847	24,359
Grand Wagoneer	150	0	282	6,074	8,927
Wagoneer	50	117	315	3,656	7,250
Total Jeep	**2,750**	**4,350**	**13,332**	**162,004**	**234,737**
Voyager	700	1,436	4,182	75,171	91,227
Town & Country	0	46	104	2,200	3,118
Total C-P Div.	**700**	**1,482**	**4,286**	**77,371**	**94,345**
CHRYSLER MOTORS	**6,750**	**7,751**	**30,884**	**486,430**	**601,640**
Aerostar	2,400	3,820	10,897	190,384	201,545
Bronco	560	0	936	44,029	64,853
Bronco II/Explorer	3,493	6,392	17,844	189,043	108,174
Navajo	183	383	1,027	7,080	0
Econoline	2,473	2,025	7,822	159,290	195,519
Mediums/Heavies	694	0	2,326	45,441	51,930
Light trucks	5,669	7,576	20,169	409,516	474,048
Ranger	4,631	7,734	22,027	265,561	283,749
Total Ford Div.	**20,103**	**27,930**	**83,047**	**1,310,344**	**1,377,818**
FORD MOTOR CO.	**20,103**	**27,930**	**83,047**	**1,310,344**	**1,377,818**
Astro	1,665	2,878	8,643	119,734	146,925
Blazer	0	0	0	14,316	23,749
Lumina APV	225	0	982	14,989	14,415
Mediums/Heavies	258	350	1,165	9,141	7,275
P-Model	375	602	1,823	20,099	27,208
Pickups	4,416	47	7,552	367,117	363,505
S-10	3,602	6,035	15,883	221,050	217,432
S-10 Blazer	1,426	2,804	6,968	77,110	158,202
Sportsvan/Van	0	0	618	53,360	* 86,786
Suburban	0	0	0	57,865	64,312
Total Chevrolet	**11,969**	**12,716**	**43,653**	**1,014,781**	**1,099,693**
Jimmy	0	0	0	4,348	7,595
Mediums/Heavies	289	466	1,467	9,306	12,415
P-Model	43	81	228	2,631	3,663
Pickups	1,398	8	2,297	128,546	111,181
S-1/Sonoma	857	1,569	3,842	49,316	54,077
S-15 Jimmy	602	480	1,730	25,101	46,139
Safari	591	903	2,729	41,600	40,861
Suburban	0	0	0	27,872	29,651
Vandura/Rally Vans	0	0	128	19,500	27,465
Total GMC	**3,780**	**3,507**	**12,421**	**308,220**	**333,947**
Silhouette	129	0	378	27,929	2,813
Bravada	0	65	134	417	0
Total Oldsmobile	**129**	**65**	**512**	**28,346**	**2,813**
Pontiac Trans Sport	76	0	471	40,912	5,301
GENERAL MOTORS	**15,956**	**16,288**	**57,057**	**1,392,172**	**1,435,781**
NAVISTAR	**1,008**	**664**	**3,651**	**65,580**	**71,088**
NISSAN	**1,598**	**2,750**	**8,871**	**127,851**	**111,149**
SUBARU-ISUZU	**782**	**1,185**	**3,541**	**31,787**	**4,155**
AM GENERAL	**270**	**450**	**1,350**	**20,190**	**20,610**
MISCELLANEOUS	**1,800**	**3,000**	**9,000**	**134,400**	**131,400**
TOTAL TRUCKS, U.S.	**48,267**	**59,938**	**197,401**	**3,568,734**	**3,753,641**

CANADIAN TRUCK

Caravan	3,378	2,573	9,614	113,661	134,009
Caravan C/V	204	146	576	6,511	9,107
Ram Wagon	0	406	746	19,898	25,254
Ram Van	0	1,150	2,538	52,947	63,008
Total Dodge	**3,582**	**4,275**	**13,474**	**193,017**	**231,378**
Voyager	2,540	1,895	7,298	91,391	114,128
Total Plymouth	**2,540**	**1,895**	**7,298**	**91,391**	**114,128**
Wrangler	0	1,590	3,702	53,509	66,473
Total Jeep	**0**	**1,590**	**3,702**	**53,509**	**66,473**
CHRYSLER MOTORS	**6,122**	**7,760**	**24,475**	**337,917**	**411,979**
FORD MTR. (lt. trks.)	**2,969**	**2,919**	**9,507**	**125,480**	**147,720**
Light trucks	3,360	3,044	11,542	154,592	148,160
Vans	0	0	6	42,838	56,069
Total Chevrolet	**3,360**	**3,044**	**11,548**	**197,430**	**204,229**
Light trucks	890	1,310	3,539	57,333	65,737
Vans	0	0	0	16,692	24,329
Total GMC	**890**	**1,310**	**3,539**	**74,025**	**90,066**
GENERAL MOTORS	**4,250**	**4,354**	**15,088**	**271,455**	**294,295**
CAMI	**600**	**1,000**	**2,033**	**45,647**	**0**
NAVISTAR	**150**	**154**	**390**	**7,886**	**9,958**
TOTAL TRKS., CANADA	**14,091**	**16,187**	**51,463**	**788,385**	**863,952**
U.S., CANADA TRKS.	**62,358**	**76,125**	**248,893**	**4,357,839**	**4,617,593**

Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz.

Holiday cuts car output to 77,420

By Karen Detkowski
AUTOMOTIVE NEWS STATISTICIAN

With a short work week due to the Thanksgiving holiday, last week's scheduled auto output fell 25.82 percent from the prior week's build.

Carmakers scheduled production of 77,420 units during the three-day week; 101,631 were assembled during the previous five-day work week.

Year-to-date 5,637,597 cars have been produced, 10.29 percent behind 1989 at this point.

Truckmakers scheduled 48,267 units last week, down 19.47 percent from the prior week and down 7.09 percent from the year-ago week.

So far this year, 3,568,734 trucks have been assembled, 4.93 percent below last year at this time.

General Motors' Fairfax, Kan., Grand Prix facility and Van Nuys, Calif., Camaro-Firebird assembly plant remain idle for inventory adjustment until Dec. 3.

GM's Allante line at the Detroit-Hamtramck facility resumes output today after one week of inventory adjustment.

Downtime at GM's Wentzville, Mo., car plant and Lordstown, Ohio, van plant has been extended another week. Both plants are scheduled to resume output Dec. 3. They have been down since Nov. 5.

Ford Motor Co. will idle six car assembly plants this week due to a lack of dealer orders. The plants are: Norfolk, Va.; Twin Cities, Minn.; Edison, N.J.; Dearborn, Mich.; Wayne, Mich.; and Lorain, Ohio.

The truck line at Lorain also will be down.

Chrysler Corp. will idle the Toledo, Ohio, plant this week to adjust inventory of Jeep models.

Canadian cars up 7% for week

Canadian automakers scheduled 24,121 units last week, 7.86 percent above the prior week and 19.30 percent above the year-ago week.

Truckmakers assembled 14,091 units last week, 12.95 percent below the previous week and 27.13 percent below the year-ago week.

Chrysler closed its Brampton, Ontario, plant and its Pillette Road facility in Windsor, Ontario, last week for inventory adjustment. The plants will resume operations Dec. 3.

The company's Bramalea, Ontario, plant closed Nov. 12 for inventory adjustment and is scheduled to resume output today.

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Saturn delays openings, may compensate dealers for lack of cars

By Phil Frame
AUTOMOTIVE NEWS STAFF REPORTER

A panel of Saturn Corp.'s dealers and company executives will meet Wednesday to consider compensating dealers for a severe shortage of cars.

General Motors' new car company also is delaying the opening of some dealerships because quality problems have slowed production. The company is insisting that the cars meet rigid quality standards.

Some existing dealers have received just a few cars.

"We're concerned about dealer profitability," said Donald Hudler, Saturn vice president of sales, service and marketing. "But I have to point out that dealers are concerned about our profitability as well."

Hudler acknowledged that the Saturn "franchise operations team" will discuss some form of compensation to dealers for the short supply of cars since Saturns went on sale at 29 dealerships on Oct. 25. Saturn now has 53 open dealerships.

Saturn would not disclose how many cars have been shipped. *Automotive News* estimates about 8,000 cars have been built since production began July 31, but not all of them have necessarily been shipped. None of the sporty SC coupes have been shipped for sale. The company says the coupe isn't ready.

Possible compensation is among a "number of things" to be discussed to help Saturn dealers in the early going, Hudler said.

The franchise operations team is a panel of six dealers and six Saturn executives, said Saturn spokesman Mark Tanner. "It's a decision-making and recommending organization," he said. "They get into the nitty-gritty of the dealer business."

Greg Sutliff, owner of Saturn of Harrisburg in Pennsylvania and a member of the franchise operations team, suggested that some compensation might be fair since dealers have made their commitment even

see SATURN, page 45

AUTOMOTIVE NEWS JOE WILSBERG

Early peek at '92 Grand Marquis

Ross Roberts, center, Lincoln-Mercury general manager, shows the 1992 Mercury Grand Marquis to reporters. Story on Page 6.

Europeans eye big month as buyers race luxury tax

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — European importers expect a boost in luxury car sales during the next four weeks from buyers racing to beat a Jan. 1 luxury tax on cars priced above $30,000.

But a December rush could eat into sales in the first quarter of 1991.

After Jan. 1, a 10 percent tax will be assessed on the amount by which the transaction price exceeds $30,000. Overnight, a $42,400 Audi 200 Quattro will cost $43,640, and an $80,600 Porsche 911 Carrera 6 convertible will jump to $85,660.

Some companies, including Porsche Cars North America and Jaguar Cars Inc., are promoting beat-the-tax sales in national ads.

Rolls-Royce Motor Cars Inc. sent letters to all its owners, noting that the new tax and a Jan. 1 doubling of gas-guzzler penalties could hike the price of a Rolls-Royce more than $30,000.

But German heavyweights Mercedes-Benz of North America Inc. and BMW of North America Inc. are leaving the year-end promotions to dealers.

Peter G. Terian, co-owner of Rallye Motors Inc. in Roslyn, N.Y., said he wishes those importers would promote the change.

"The tax is a fact of life, and I don't want anybody coming to me afterwards to say, 'Gee, I wish I'd known about it,' " said Terian, who has BMW, Mercedes-Benz, Rolls-Royce and Lexus franchises. He is advertising the new tax in radio and newspaper ads and sending more than 10,000 letters to customers and prospects.

He said he ordered about one-third more Mercedes cars than usual, plus "several" Rolls-Royces which, with retail prices beginning at $145,800, represent a big investment.

"If we called the shots right, we'll be in good shape. If we didn't,

see LUXURY, page 42

Chrysler dumping 10-day reports

Bidwell: Sales tallies are misleading, take too much staff time

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Corp. last Friday announced that it is breaking with a long-standing industry tradition, and will refuse to report 10-day sales after Jan. 1.

Instead, Chrysler will report monthly sales on the third working day following the end of each month.

Currently, all manufacturers that build vehicles in the United States report sales of U.S.-built models every 10 days.

Imported vehicles sold in the United States are not included in the 10-day count but are tallied monthly.

Chrysler views the 10-day report as a relic of the 1940s War Control Board. Chrysler says it no longer serves a purpose and consumes too much staff time.

The company has hinted for some months that it was considering closing the 10-day reporting pipeline.

"It is silly. It is misleading. It is misreported. It is not understood," Bennett Bidwell, Chrysler Motors chairman, said of the 10-day sales reporting practice last week. "What do you learn on a 10-day basis, which has typically a six or seven-day sales cycle in a 10-day period?

"It is an unproductive and we waste too much time at it," Bidwell said. "We are forever being criticized by the press and everybody else for not taking the long view. How can you take the long view when you start out with a 10-day mentality?"

Bidwell said he has written to General Motors Chairman Robert Stempel and Ford Motor Co. Chairman Harold Poling, apprising them of Chrysler's decision and "welcoming them to consider similar action if they saw fit."

A Ford spokesman said the company was not considering discontinuing 10-day sales reporting.

A GM spokesman said the company currently is "reviewing its sales reporting procedures but no decision has been made concerning any changes in the format."

A GM source said it is doubtful the company will end the 10-day reporting practice. The source said the company considers it likely that the automotive press and analysts would obtain and publish 10-day sales numbers even if they were not officially disclosed.

The industry as a whole began reporting retail sales every 10 days in 1955.

In January 1979, with sales at an all-time low and inventories at an all-time high, the faltering American Motors became the first of the major domestic producers to refuse to issue 10-day sales reports. Chrysler acquired AMC in August 1987.

In its announcement expected today, Chrysler will maintain that monthly reports better serve the industry because the 10-day sales estimates that statisticians use for import companies reduce the accuracy and value of the 10-day information.

In addition, Chrysler expects to reduce by two-thirds the workload of its sales-reporting staff as part of its ongoing $2.5 billion cost-cutting program.

Automotive News staff reporter Liz Pinto contributed to this report.

Nissan revamps field setup to concentrate on dealers

By Kristine Stiven Breese
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Saying that it has quit chasing Honda and Toyota, Nissan Motor Corp. in U.S.A. will reorganize its entire sales and service operation to focus more closely on its 1,100 Nissan dealers.

The effort will begin in the three-state Dallas region in January and expand nationally within about two years. It is aimed at building Nissan's image by improving the way it takes care of customers.

Instead of each dealer working with three or more regional staff members, Nissan will assign one field staffer to handle the sales, parts and service needs of about 10 dealers. Over time, employment in the field organization will likely increase and headquarters jobs will decline.

The new program marks the rejection of a volume-oriented strategy that was destined to cripple the company in the long run, according

see NISSAN, page 44

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s for 1991s:

tings for 573 cars, 79 minivans and their major options begin on Page 18. Also re 1991 cars that offer air bags and anti-lock brake systems. See Pages 18-22.

'91-PRICES

HIDDEN IMAGE/MARK B. LEHMANN

Cadillac promises a "major debut" for the Los Angeles and Detroit shows, rumored to be the redesigned 1992 Seville, captured earlier this year in a spy photograph.

SHOW TIME

Detroit, L.A. reach for glitz and iron to win annual duel

By Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — The 1991 New Year promises to open with a slugfest between the Detroit and Los Angeles auto shows.

Some thought the Detroit show stumbled when it pushed its opening day back to the second week of January this year, allowing its west coast counterpart to be the first show of the year. The two shows were held the same week in 1989 and 1990.

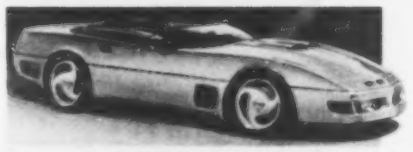
But this year, Detroit plans to deliver a one-two punch: the debut of at least 34 production and concept vehicles, and a Robin Leach-hosted television show that will be syndicated to 200 television stations around the country.

The Los Angeles show will debut about half as many vehicles and, for the second year in a row, create a local television show.

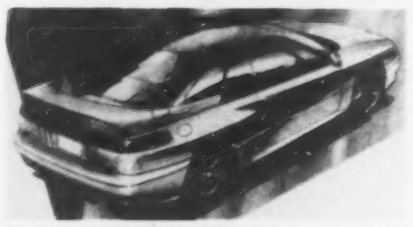
"The more publicity we can get, the more likely manufacturers will debut their production and concept cars in Detroit," said Gordon Stewart, a Detroit area Chevrolet dealer and co-chairman of the 1991 North American International Auto Show in Detroit. The show is sponsored by the Detroit Automobile Dealers Association.

Still, Los Angeles is the car-buying capital of the country, said Joseph Molina, a spokesman for the Los Angeles show. "The Los An-

see SHOWS, page 41



Callaway Cars will introduce its 450-horsepower Twin Turbo Speedster concept car at Los Angeles.



Subaru will roll out the SVX, the replacement for the XT coupe, in Los Angeles and Detroit.

AUTO SHOW DEBUTS

Los Angeles only

1992 Acura Legend Coupe
Callaway Twin Turbo Speedster
1992 Maserati Shamal

Detroit only

1991 Chevrolet production vehicle
Suburban concept vehicle
Monte Carlo concept car
Full-sized Chevrolet concept trucks (2)
Chrysler 300 concept vehicle
Dodge Neon concept vehicle
Jeep Wagoneer 2000 concept vehicle
1992 Ford Crown Victoria
Ford luxury concept car
Full-sized Ford concept truck
Compact Ford concept trucks (2)
1991 Lotus Esprit Race Car Replica
1991 Mercedes-Benz 500E
Mitsubishi HRS-II concept vehicle

Both shows

1992 Buick Roadmaster Sedan
1991 Roadmaster Estate Wagon
1992 Cadillac Seville
1991 Chevrolet Caprice performance car
Chevrolet Tracker concept truck
1991 GMC Syclone
GMC concept trucks (2)
1992 Hyundai Elantra
1991 U.S.-spec Lotus Elan
1992 Mercury Grand Marquis
1992 Mitsubishi Diamante
1992 Nissan NX and Boga concept car
1992 Oldsmobile production vehicle
Range Rover County SE and Hunter
1992 Subaru SVX

Ford's Zig, a compact two-seat concept car styled by the maker's Ghia studio, will make its North American debut in Detroit.

Big 3 pare production again

GM leads as fourth quarter cuts total 409,000 units

By Jack Keebler
AUTOMOTIVE NEWS STAFF REPORTER

Increasing tensions in the Middle East and a resulting sag in buyer confidence are being blamed for sharply slashed fourth quarter production schedules at the Big 3.

The cutbacks are likely to hurt earnings. Auto analyst Jean Claude Gruet of UBS Securities said the impact of these cutbacks on earnings will be powerful. "There's real trouble in autoland."

Last Thursday, General Motors Chairman Robert C. Stempel announced GM's cuts in a speech in Fort Wayne, Ind. "Beyond an earlier 181,000 unit reduction, we are now planning to reduce our North American production schedules for the fourth quarter of 1990 by 111,000 units," Stempel said.

Last Friday, sources at Ford Motor Co. and Chrysler Corp. also confirmed significant fourth quarter production adjustments. Ford chopped its original forecast by 99,000. And Chrysler trimmed its forecast by 18,000 vehicles.

"Many people have been taking a wait and see attitude toward major purchase decisions," said Stempel. "For the auto industry this has translated into weaker automotive demand that has meant temporary plant shutdowns and layoffs."

In the December issue of *Playboy* magazine, Chrysler Corp. Chairman Lee Iacocca described what the Middle East crisis has done to the car business. "The industry is on its ass, really down," Iacocca said. "Nobody's buying anything and people are worried about their jobs. I'm seeing all kinds of layoffs. Let's hope this doesn't last more than a year."

But auto analyst David Healy with Barclays de Zoete Wedd Research said the cuts were "below the levels of retail sales."

"The vehicles will be coming out of dealer inventory in the fourth quarter," he said. "The second round of cuts were not expected. Sales have been firm. So they don't reflect lower dealer orders. But perhaps the financial types in Detroit might actually be more worried about the effect of the Middle East than the people buying cars."

UPDATED FOURTH QUARTER NORTH AMERICAN PRODUCTION FORECAST

	Updated Nov. 30, 1990	As of Nov. 1, 1990	Change
GM*	1,071,000	1,182,000	–111,000
Ford	767,000	866,000	– 99,000
Chrysler	396,000	414,000	– 18,000
Total Big 3	**2,234,000**	**2,462,000**	**–228,000**

*Includes NUMMI production

A Ford source last Friday said 10 plants would be down the first week in December "to keep buildable dealer orders in line with production."

"Our new forecast is a reconciliation with some unscheduled downtime in November and an expectation of downtime in December," said Ford spokesman Joel Pitkoff.

Stempel expressed confidence in the long-term outlook for GM, but said current market forces and an objective to achieve more level production in 1991 have caused the corporation to further reduce its fourth quarter North American vehicle production.

"The major reduction in our fourth quarter North American vehicle production in 1990 will promote avoidance of inventory overhang and achievement of more level and cost-effective production in 1990," said Stempel. "GM expects its overall fourth quarter financial results to decline significantly relative to our recently released third quarter results."

GM had originally planned to build 1,363,000 vehicles in North America in the fourth quarter. But with a 181,000 cutback in late October and the 111,000 unit reduction last Thursday, a total of 292,000 vehicles have been pared from the original projection.

In early October, some analysts predicted that GM's aggressive schedule would result in production cuts to balance inventory.

Captive finance firms reap gains as some banks drop auto loans

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Easy money is drying up in the Northeast and some other regions as some banks withdraw from making auto loans.

But the Big 3 captive finance companies are picking up the slack. And the percentage of customers financing cars through Ford shows it. In the third quarter, Ford Motor Credit Co. financed 33 percent of all new vehicles sold by Ford Motor Co. dealers in the United States, up from 30 percent for the third quarter in 1989.

Among the banks that left the auto-loan market recently are New York-based Citicorp and Marine Midland Automotive Financial Corp.; Bank of New England, based in Boston; and California's Security Pacific Corp., according to a spokesman from the Consumer Bankers Association.

"There is no widespread credit crunch," says Randy Kniebes, vice president of marketing for Ford Motor Credit.

"But in selected areas of the country, particularly the Northeast and some areas of the Southwest, some banks have pulled out," he said.

In these markets, marginal customers are being squeezed hardest.

Robert Brest, owner of Bob Brest Buick Inc. in Lynn, Mass., says if it weren't for General Motors Acceptance Corp., his sales would drop by half. "Banks are tough," asserts Brest. "They don't want to be in the credit business."

Bankers are reluctant to finance more than the dealer invoice price of cars, whereas two years ago they would finance 10 to 15 percent above invoice, Brest said.

In addition, customers with marginal credit or who owe more on their current vehicles than they are worth are having trouble financing vehicles. Brest says GMAC is trying to negotiate any way possible to put people into cars.

Brest says he sold or leased 150 vehicles in November, with 74 percent financed through GMAC and the rest by local banks.

The percentage of vehicles financed through GMAC is about 25 percent higher than for November 1989. The regional credit crunch shows up in his overall turndown rate for loans: roughly 35 percent, compared with only 15 percent in 1988.

On the other hand, Midwest dealers are awash in credit. Banks in the heartland are competing aggressively with captive finance companies.

"There is no scarcity of credit here," says Ray Green, who owns dealerships in Danville, Springfield, and Jacksonville, Ill.

Green, who is president of the National Automobile Dealers Association, contends the dealers' problem is not a credit squeeze, but lack of showroom traffic.

As president of NADA, he talks to dealers regularly. He says some have complained of

see CREDIT, page 41

Correction

An item in last week's Briefly column on Chrysler Credit Corp.'s offer to postpone December payments for qualified customers reported the company charges a 10 percent fee for that service. The fee is actually 1 percent.

World Congress Monday lineup features execs

Hungerland

Rosenberg

Rock

DETROIT — Hans-Jorg Hungerland, member of Volkswagen AG's Board of Management; William Rosenberg, EPA assistant administrator for air and radiation; and John Rock, general manager of GMC Truck Division, will address the Automotive News World Congress Monday morning Jan. 14.

David J. Herman, president and chief executive officer of Saab Automobile AB, also will speak Monday. He was profiled previously.

The World Congress will run from Sunday, Jan. 13 through Wednesday morning, Jan. 16 at the Westin Hotel in Detroit. Attendees will hear from more than 30 auto industry experts.

Hungerland began his VW career in 1958. He was a management trainee at VW AG and then was assigned to Volkswagen of America Inc., where he worked with service and systems departments.

In 1970, he returned to West Germany as department manager of service planning and systems in VW's Central Service Division. In 1977, he was promoted to manager of the service organization.

He returned to the United States in 1980 as general manager of VWoA's Corporate Service Division, and in 1983 he became director of export sales. He was appointed VWoA president and chief

see SPEAKERS, page 43

Toyota plans second Camry plant

New Kentucky factory will boost capacity to 440,000 cars

By Jack Keebler and Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTERS

GEORGETOWN, Ky. — Toyota Motor Corp. surprised some industry observers and disappointed others last week when it announced plans to build a second U.S. plant devoted solely to Camry production.

Toyota will spend $800 million to add a second plant adjacent to its already expanding $1.1-billion car and engine production center in Georgetown, Ky.

The company confirmed months ago that it needed and wanted additional North American plant capacity, revealing that straining factory output in both the United States and Japan is crimping its U.S. sales potential.

> "I have never considered building any vehicles other than the Camry sedan and wagon at Georgetown."
>
> **Kaneyoshi Kusunoki**
> Toyota Motor Manufacturing

Industry speculation pictured Toyota making a daring plunge into full-size pickups or six-passenger family sedans with its proposed new factory. No Japanese automaker has attempted to enter either market.

Toyota officials strongly denied that they considered building anything other than the Camry at Georgetown.

"There is no such plan at this moment," said Kaneyoshi Kusunoki, chairman of the board for Toyota Motor Manufacturing USA Inc., through an interpreter. "I have never considered building any vehicles other than the Camry sedan and wagon at Georgetown."

But Alex M. Warren, senior vice-president of Toyota Motor Manufacturing, said the Camry-only

see TOYOTA, page 42

Subaru to slash jobs, consolidate offices

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Subaru of America Inc. has begun a top-to-bottom overhaul of its operations by planning to cut as much as 10 percent of its work force, by consolidating some regional operations and by negotiating to buy an independent distributor.

The moves are the first significant changes at Subaru since it became a wholly owned subsidiary of Fuji Heavy Industries Inc. three months ago. Subaru had been a publicly-traded, independent importer and distributor before Fuji bought the 50.7 percent of Subaru that it didn't already own.

Tokyo-based Fuji is the maker of Subaru cars, which have been losing popularity in the United States since 1986. Through October, 1990 sales were off 22.74 percent from 1989.

The company has begun telling some employees they will lose their jobs Dec. 28. Spokesman Richard Marshall said no precise figures are available, but Subaru estimates it will discharge no more than 10 percent of its 1,080 employees. The exact number will depend on such things as how many employees are willing to relocate or change jobs. Some positions that are presently unfilled will be eliminated.

Subaru also is reducing its national sales regions from six to five and is relocating some of its regional headquarters offices.

Chris Wackman, vice president of marketing, said Subaru may eliminate some management and regional headquarters staff, but there will be no reduction in the field sales force.

Subaru will close its Southeast regional office in West Palm Beach, Fla., and its Atlantic regional office in Savage, Md. Those offices will be combined into a new regional office that will be be established in the Atlanta area by next May. The company has a parts distribution center near Atlanta.

Subaru also will close its Southwest regional office in San Antonio and will move those operations to a new regional headquarters in Denver. Subaru has a "satellite" sales office in Denver and a parts distribution center in Aurora, Colo. The Southwest region was the only one with the regional office in one city and a satellite office in another. The Denver office will become the regional headquarters.

Meanwhile, Subaru is negotiating to buy Penn Jersey Subaru, the independent distributor for Pennsylvania, southern New Jersey and Delaware.

At one time, Subaru had 13 independent U.S. regional distributors. It has bought all except Penn Jersey Subaru; Subaru of New England in Norwood, Mass.; and Subaru Distributor Corp. in Orangeburg, N.Y. Buying Penn Jersey would make Subaru of America the exclusive distributor in 41 states. Company officials have said they are interested in buying all the independent distributors.

INDEX

Around the world	16
Auction dates	34
Classifieds	35-39
Coming events	22
Dealing with dealers	28
Keith Crain	12
Late news	8
Legal briefs	26
Letters	14
Marketing and media	17
Opinion	12
Personnel	29
Production	45
Sales, car	4

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Forget the economy: Sales hit by earthquake prophesy

By Kristine Stiven Breese
AUTOMOTIVE NEWS STAFF REPORTER

Add earthquakes to the list of reasons why car and truck sales are slow in some parts of the country.

An informal survey of dealers in Missouri, Arkansas and Tennessee shows that a much-publicized prediction that an earthquake could hit the Mississippi Valley region today has had some effect on new-car sales.

"I've never seen anything like this. I've had a lot of customers tell me that they're not going to buy a car until after the earthquake, until after Dec. 3," said Glenn Dodd, dealer principal at Glenn Dodd Honda-Isuzu in Memphis, Tenn.

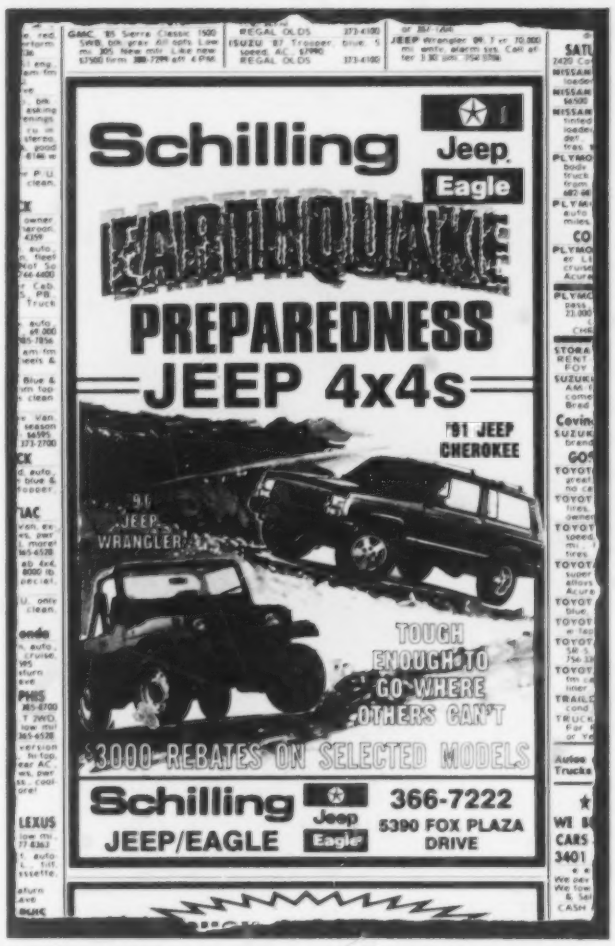
The stir began when New Mexico climatologist Iben Browning said last summer there was a 50-50 chance that the geographic fault, which runs through the area, would cause an earthquake today.

The fissure, known as the New Madrid fault, runs 120 miles from southern Illinois to northeast Arkansas. Seismologists agree that it has the potential to deliver a jolt measuring 7.0 on the Richter scale, about the same as the earthquake that struck San Francisco in October 1989. A quake of that magnitude could cause widespread heavy damage.

But scientists have derided the prediction that it is more likely to hit today than any other time in the next 1,000 years. Nonetheless, a number of Mississippi Valley communities have been shaken.

Like Dodd, other dealers in the area say customers have told them they are staying out of the market until after the marked date. To turn that tide, at least one dealer is using the situation as a promotion.

Schilling Jeep-Eagle in Memphis is advertising Jeeps as "Earthquake Preparedness" vehicles. Randy Mathis, Schilling general sales manager, said the dealership has done some preparation of its own by instructing employees on building safety and outlining evacuation routes. Other dealers say they've taken similar action.



One Memphis dealer has used the earthquake prediction as a promotion — but also has instructed employees on safety and evacuation routes.

Isuzu dealer Dodd said he sold a Rodeo sport-utility to a buyer who "wanted a four-wheel-drive vehicle in case he needs to get out over the rubble." That sale was made without any kind of earthquake promotion.

Other dealerships have responded by giving salespersons the day off if they request it, storing flashlights and water, ignoring the issue altogether or buying earthquake insurance.

Universal Underwriters Insurance Co., one of the nation's largest auto dealer insurers, has seen a fivefold increase in certain areas.

The company has written $100 million worth of earthquake coverage for dealers along the fault since August, according to Dwight Groves, Universal's vice president of underwriting.

In the firm's Memphis office, underwriting manager Bill Sharp reported that because the coverage is relatively inexpensive, many dealers have figured they're better safe than sorry. On average, premiums are less than $1,000 a year.

Summit improves prospects for Mexico free-trade pact

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

The prospects for increased auto trade between Mexico and the United States appeared brighter last week following two days of meetings in Mexico between President George Bush and Mexican President Carlos Salinas de Gortari.

The two leaders vowed commitment for a free-trade agreement by 1992.

Although no specifics have been proposed, a U.S.-Mexican accord would likely be similar to the one reached between Canada and the United States in 1988. That pact allows manufacturers from either country to invest and operate freely across borders without paying local tariffs. A precursor to that deal governed automotive trade between the United States and its northern neighbor for 25 years.

Mexican exports increase, Page 26

At the heart of the Mexican issue is U.S. labor's fear that manufacturers will export jobs and capital to take advantage of lower Mexican wages.

Mexican labor rates are often as low as $1 an hour, compared with U.S. auto-industry rates of $13 to $18 an hour.

"If this country's economic development strategy is going to be based on growth through low wages, then free trade with Mexico makes sense," said Steve Beckman, international economist with the UAW in Washington.

"But that's not the way to go about improving our standard of living or fostering economic growth," said Beckman. "At the same time, tying Mexico's economic destiny to that strategy simply assures that standards of living there will remain low."

At the heart of the issue is U.S. labor's fear that manufacturers will export jobs and capital to take advantage of lower Mexican wages.

Beckman said the UAW will urge Congress to resist a Mexican free-trade agreement.

He estimated that U.S. automakers already employ 75,000 Mexicans along the border in "macquiladora" factories. "Those are jobs that would have been filled in the United States," he claimed.

A macquiladora permits U.S. companies to import subcomponents or raw materials into Mexico, to process or assemble them, and to re-export the final product to the United States without paying import duties.

Macquiladora labor rates are usually $1 an hour or less.

Chrysler Corp. spokesman John Guiniven said Chrysler's production in Mexico creates U.S. jobs, rather than eliminating them, since its Mexican-assembled cars contain U.S.-made engines and components.

Guiniven said Chrysler generally supports a free-trade arrangement, but emphasized that it has to be in American manufacturers' best interests.

Guiniven and other observers are concerned that a free-trade pact will allow Mexico to become a bustling export platform into a U.S. car market that has more than enough capacity already.

A number of automakers are already positioning to export more Mexican-made cars into the United States.

Ford's plant in Hermosillo, which opened in 1986, enables the automaker to import about 150,000 Escorts and Mercury Tracers annually to dealers in the United States.

Nissan Motor Co. Ltd. and Volkswagen AG are investing heavily to expand their Mexican auto production. VW has designated Mexico as its North American production center, and Nissan is currently building an "export assembly plant" that is expected to send more than 60,000 cars annually to the United States by mid-decade.

Such increases align with projections from the Mexican government that automobile exports to the United States will increase from more than 200,000 a year currently to about 500,000 a year by 1995.

Until this year, vehicle trade has been one way. But Mexico now allows the import of U.S.-built vehicles.

Honda Motor Co. currently builds motorcycles and service parts for U.S.-marketed cars in Mexico. But Honda officials maintain that the company has no plans to build cars there.

Even without a free-trade pact, Mexico's automotive shipments to the United States are growing.

Last year, Mexico exported some $4.3 billion in automotive goods to the United States, up from $2.38 billion four years earlier.

Mexican parts production now accounts for a 13-percent share of the U.S. automotive sales market, up from 11 percent in 1985.

Just between friends

Iacocca blasts, then buoys Greenwald

By Edward Lapham
MANAGING EDITOR

Iacocca: Loyalty first

Greenwald: Still a friend

Chrysler Corp. Chairman Lee Iacocca and Gerald Greenwald, former Chrysler vice chairman and heir apparent to Iacocca, are still friends.

This despite Iacocca's pronouncements that Greenwald was disloyal for leaving the automaker last June to join the efforts to purchase United Airlines.

In an interview in the December issue of *Playboy* magazine, Iacocca said he faults Greenwald for leaving the company last June. "He grew up with me. He'd been in the business for 32 years, the same two companies as me — Ford and Chrysler," Iacocca said in the interview. "Isn't there anything sacred anymore? Isn't there loyalty to anything?"

At a reception at the National Press Club in Washington last Tuesday, Iacocca told an *Automotive News* reporter that he and Greenwald are still friends. "I had dinner with Gerry last night; we're good friends," Iacocca said. "No problem. That's what I told him."

Greenwald could not be reached for comment.

Greenwald joined Chrysler in 1979 as controller following 22 years with Ford Motor Co. He was named vice chairman in 1981. In 1988, Greenwald joined Iacocca in a two-member office of the chairman, clearly becoming the heir apparent.

Iacocca spent much of the *Playboy* interview defending his comments about Japan. "These guys are aggressive. When you sting them commercially, they fight back. It's a war. If we get too thin-skinned about it, then this country's got a problem. I'm a red-blooded American. I fight back."

Automotive News Staff Reporter Diana Kurylko in Washington contributed to this report.

Mid-Nov. sales rise 14.6%

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

Sales of domestic cars and trucks were surprisingly strong in mid-November, increasing 14.6 percent in a jump that analysts attributed to strong fleet sales and generous incentives.

Sales of the Big 3's North American-built vehicles and those from Asian transplants totaled 283,529 for the period. Cars sales rose 17.6 percent over last year to 174,670, and truck sales were up 10.1 percent to 108,859.

David Healy, auto industry analyst for Barclays de Zoete Wedd in New York, said the increase was "sort of puzzling" in light of recession fears, the threat of war in the Middle East and higher gas prices.

"Maybe the consumer is not as spooked as he's supposed to be," Healy said.

Chrysler Corp.'s car sales climbed 10.8 percent and its truck sales were flat, leaving it with an overall 5.4 percent gain and 45,227 sales for the period.

Ford Motor Co. and General Motors both had double-digit increases in car and truck sales. Ford's overall volume was up 15.4 percent to 85,372; GM climbed 14.5 percent to 121,718.

Ronald A. Glantz, auto industry analyst for Dean Witter Securities in San Francisco, said a boost in fleet sales helped the numbers.

"Sales do not spurt up when layoffs are increasing, your neighbor has had a 'For Sale' sign on his lawn for six months, and war is about to break out in the Middle East. It had to have been something fluky," Glantz said.

Sales of domestic Hondas were up 5.2 percent to 11,267.

Nissan's sales climbed 3.0 percent. Sentra sales, which is new for 1991, were up up 45.9 percent to 3,399, but small trucks were down 18.6 percent to 2,709. Toyota's sales rose 53.4 percent to 9,025.

The big gains by Toyota and Nissan in sales of U.S.-built cars are tempered by the fact that their sales of imported cars are down for the year. For 10 months, Nissan's import sales (excluding Infiniti) were down 20.8 percent from 1989, and Toyota's import sales (excluding Lexus) were down 19.7 percent. The transplant makers do not report import sales on a 10-day basis.

10-DAY SALES

DOMESTIC BUILT

	Nov. 11-20, 1990	% change '90 vs. '89
CARS		
Eagle	1,452	+ 74.5
Chrysler	4,340	+ 20.5
Dodge	9,960	+ 15.9
Plymouth	6,610	– 7.7
CHRYSLER MTRS.	**22,362**	**+ 10.8**
Ford	34,269	+ 25.0
Lincoln	6,093	+ 3.8
Mercury	7,362	– 5.6
FORD MOTOR	**47,724**	**+ 16.1**
Buick	14,573	+ 30.4
Cadillac	7,248	+ 11.0
Chevrolet	29,934	+ 17.2
Oldsmobile	12,168	+ 9.8
Pontiac	13,615	+ 13.4
GENERAL MTRS.	**77,538**	**+ 16.9**
HONDA	**11,267**	**+ 5.2**
MAZDA	**1,541**	**+ 57.6**
MITSUBISHI	**1,383**	**+ 39.7**
NISSAN	**3,399**	**+ 45.9**
SUBARU	**431**	**—**
TOYOTA	**9,025**	**+ 53.4**
U.S. CAR TOTAL	**174,670**	**+ 17.6**
TRUCKS		
Chrysler	78	– 31.0
Dodge	11,934	– 3.4
Jeep	5,484	– 11.2
Plymouth	5,369	+ 31.1
CHRYSLER MTRS.	**22,865**	**+ 0.5**
FORD MOTOR	**37,648**	**+ 14.6**
Chevrolet	33,774	+ 7.6
GMC	9,124	+ 14.7
Oldsmobile	595	—
Pontiac	687	—
GENERAL MTRS.	**44,180**	**+ 10.6**
ISUZU	**1,136**	**—**
MAZDA	**321**	**—**
NISSAN	**2,709**	**– 18.6**
U.S. TRK. TOTAL	**108,859**	**+ 10.1**
U.S. CAR-TRUCK TOTAL	**283,529**	**+ 14.6**

There were 8 selling days in the period this year and 8 last year.

Auto execs shun outspoken Calvet

Seeking influence, new group softens anti-Japan attitude

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, Germany — European auto executives frustrated with the blocking tactics of Peugeot SA Chairman Jacques Calvet will form a new lobby group without him.

Calvet has been outspoken in his demands to severely limit Japanese presence in Europe for a decade after 1992, when free trade generally begins in Europe. The other executives support a shorter transition period and fear they are losing influence at the European Commission because of Calvet's obstinance.

Calvet had [illegible]eatedly used his veto at the 12-[illegible]ember Committee of European Community Automobile Makers to block policy statements. The other 11 chief executives of European automakers quit the group last week.

The executives feared that the committee's strength as a lobbying group had been undermined by its inability to offer a united front on such issues as Japanese imports and emissions regulations.

Calvet: staunch protectionist

Von Kuenheim: new lobby leader

Calvet, the staunchest protectionist voice in the European auto industry, had frequently used the group's rule requiring unanimous support on policy positions. He seemed to have support from other European makers when, at the Paris auto show, he chastised Britain for encouraging Japanese plants and called for a derade of strict limits on Japanese nameplates. But although Renault SA and Fiat SpA for a time opposed a milder European Commission position, the top executives of other automakers evidently were not convinced.

In recent weeks, they had tried to adopt a qualified 80-percent majority rule. When that failed, they quit the group. An industry source said that the executives had long been working on changing its lobbying structure in Brussels, headquarters of the European Commission. "The industry wants to speak with one voice," he said — although without Calvet, they won't have one.

The new group is expected to come under the auspices of another Brussels auto industry trade association, the CLCA. The CLCA has taken a low key approach concentrating on technical matters of the auto industry and auto trade.

BMW AG Chairman Eberhard von Kuenheim has been charged with forming the new organization, which would include Ford of Europe and General Motors Europe, which had been excluded from the Committee of European Community Automobile Makers.

Peugeot SA also has been invited to join the new group. A Peugeot spokesman said Calvet will not comment on developments.

The new group is understood to support a plan by the European Commission that would establish a five-year transition period for Japanese imports. Calvet had called for a 10-year limit on the Japanese starting in 1993 that would freeze current Japanese market share, would maintain existing tight restrictions on Japanese cars in France, Italy, Spain, Britain and Portugal, and would strictly limit transplant production in Europe.

Mexican exports rise 15.5% in 1st 9 months

By Stephen Downer
STAFF CORRESPONDENT

MEXICO CITY — Mexico's five automakers increased exports by 15.5 percent during the first nine months of the year.

Shipments totalled 187,026, compared with 161,950 from January through September 1989, according to the Mexican Automotive Industry Association.

Volkswagen more than doubled its exports.

Increased shipments of Ford's new Mexican-built Escort and Tracers pushed its nine-month export totals up 33.6 percent.

Despite an 11 percent decline in shipments, Chrysler remained Mexico's leading exporter through the first nine months. The company exported 53,845 vehicles, compared with 60,474 in the same period last year. Chrysler's totals included 27,766 two-door LeBaron coupes and 17,724 D-150 pickups.

Ford exported 23,454 Escorts and 29,412 Tracers.

Most of VW's 32,282 exports were Golfs and Jettas for the U.S. market.

A total of 31,529 GM cars left Mexico, all of them Buick Centuries.

Following the trend of recent years, most Mexican shipments continued to head for the United States. Of the 194,631 vehicles exported by the industry in all of last year, 83.7 percent went to the United States.

Chrysler shipped 67,840 vehicles from Mexico in 1989, 61,701 of them to the United States and 5,919 to Canada.

All but 84 of General Motors exports were U.S. bound, while all of Ford's and most of Volkswagen's exports were. Nissan sent most of its Mexican-built exports to the Caribbean and to South and Central America.

MEXICAN EXPORTS

Maker	Jan-Sept 1990	Jan-Sept 1989	Total 1989
Chrysler ..	53,845	60,474	67,840
Ford	52,866	39,580	39,580
VW	32,282	15,851	21,702
GM	31,529	27,766	40,376
Nissan	16,504	18,279	25,133
**Total	187,026	161,950	194,631**

SOURCE: Mexican Automotive Industry Association

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LEGAL BRIEFS

Single sale isn't racketeering

A U.S. district judge has dismissed a racketeering suit against a Pennsylvania truck dealer who was accused of making false statements about the condition of a tractor-trailer.

U.S. District Judge Lowell A. Reed Jr. said Donald Raymond's suit against Borken Truckarama tried to transform a single event into a series of acts allegedly forming a pattern of racketeering.

In March 1989, Raymond discussed buying a four-year-old International Eagle tractor-trailer with a Truckarama spokesman, who allegedly misrepresented the make, model and condition of the vehicle. Raymond made a $2,210 downpayment and entered into a three-year lease with First National Capital Inc.

In his suit, Raymond asserted that numerous mechanical problems made the truck undriveable. He said the truck's odometer had been rolled back and the truck was not a 1985 model but a modified 13-year-old one.

He also claimed his mailed monthly lease payments established mail fraud. In throwing out the mail fraud charge, Judge Reed noted that while Raymond alleged the so-called scheme was suggested or required by the dealer to induce him to buy the truck-trailer, the fact is the "mailings came after the alleged fraudulent transaction occurred and in no way concealed the alleged scheme."

The judge said the happenings cited were all part of a single event, the sale of one truck. He also found a lack of continuity in the conduct. "Taking into consideration the time of delivery and subsequent repairs made to the truck, the entire 'scheme' could not have taken more than several months in 1989," he said.

— Helen Kahn

Attorneys get pay in odometer case

Missouri's federal district court, which late last year settled all class actions involving rolled-back odometers against Chrysler Corp. for $17.8 million, has started writing $3.1 million in checks to 16 law firms involved in the case.

Last April, the court fixed the attorney fees at 17.5 percent of the settlement. It urged the firms to work out the amounts to reflect the relative contribution of the different attorneys.

In 1987 it was disclosed that odometers had been disconnected on 43,000 cars used by Chrysler executives in quality testing programs and later sold as new.

— Helen Kahn

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